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NINE OF 13 CHARGED AS CROATIAN REVOLUTIONARIES FREED

Sydney THE SYDNEY MORNING HERALD in English 9 Oct 81 p 3

[Text]

Nine of the 13 men charged with training for an invasion of Yugoslavia were found not guilty yesterday after a record 10-day deliberation by the jury.

One man, 47-year-old Jure Maric, was found guilty of training the group in the use of weapons and in military exercises and will appear for sentence today at the District Criminal Court.

The jury was unable to reach a verdict on the other three defendants and Judge Thorley remanded them for further trial.

After the verdicts, the judge praised the jury, which had been locked up in the District Criminal Court in Darlinghurst for 10 days, including the holiday weekend. "Though it is not a record for a jury to be confined to the court during the duration of a trial," said Judge Thorley, "it is certainly a record time for a jury to be out on deliberation."

The 13 defendants had allegedly belonged to a group called the Croatia Revolutionary Brotherhood and had allegedly been gathering to prepare for an invasion of Croatia.

They were arrested on September 2, 1978.

Maric, a printing engineer, of Fromelles Avenue, Seaforth, was convicted of having been present at an assembly of persons for the purpose of training them in the use of military arms and explosives.

He was also convicted of training the group in military exercises.

The charges were brought under the Commonwealth Crimes, Foreign Incursions and Recruitment Act which, the court has been told, deals with attempts by people in Australia to interfere with the government of another country.

The other 12 defendants were charged with allowing themselves to be trained in the use of arms and explosives for the purpose of committing an offence under the Act, and with allowing themselves to be trained in military exercises.

The nine found not guilty were: Nikola Bilke, 39, of Bedford Crescent, Dulwich Hill; Zlatimir Bag, 45, of Posmeray Street, Homebush; Franco Bosic, 28, of Commonwealth Street, Croydon; Simon Franjic, 39, of Eppalock Street, Duffy, ACT; Bosko Jukica, 43, of Jeffrey Street, Canterbury; Andrija Lemic, 37, of Stewart Crescent, Melba, ACT; Stjepan Novine, 32, of Belmont Street, Alexandria; Evan Sacer, 36, of Rose Smith Crescent, Scullin, ACT; and Ivan Tomic, 35, of Meig Place, Blacktown.

No verdict was reached on the two charges faced by Jerko Kovac, 33, of Rossmore Street, Fisher, ACT and Ante Nhalvic, 38, of Tumboreza Crescent, Blacktown,

or on the second charge faced by Ante Saric, 33, of Fifth Street, Ashbury.

During the trial, Commonwealth police gave evidence that at the time of their arrest, some of the defendants had been dressed in military-style uniforms adorned with Croatia insignia.

It was also alleged that some of the defendants had been carrying pistols, shotguns, rifles, knives, Army field radios, ammunition and detonators.

The Crown Prosecutor, Mr J. C. Burchett, QC, told the court that a document found on one of the defendants indicated an intention to promote an incursion into Yugoslavia.

But a number of the defendants gave evidence that the purpose of the gathering had been to make a documentary film. Some segments of film, seized during the arrest, were developed by police and shown during the trial.

They showed groups of men patrolling through dense bushland, lying on the ground and crouching around a map.

The defendants had been released on bail since committal proceedings in the lower court but, as each finished giving evidence in his own defence at the trial, he was taken into custody in the remand section of Long Bay Jail until yesterday's verdict.

AUSTRALIA

BRIEFS

QUEENSLAND OIL FIND--A significant oil flow has been announced from an exploration well in southwestern Queensland. The Delhi Petroleum Company says its (Jackson) No 1 well has flowed about 350 barrels a day. Delhi's exploration manager Mr (Hollingsworth) says the find is significant because the well is in a new area 1,200 km west of Brisbane near the south Australian border. Mr (Hollingsworth) says it will be some time before it is known whether (Jackson) No 1 well will be a commercial well but it is an indication of the area's potential. [Text] [BK241041 Melbourne Overseas Service in English 0830 GMT 23 Nov 81 BK]

SOUTH AUSTRALIAN OFFSHORE OIL--A new offshore oil exploration program is beginning in south Australian waters. Australian Occidental Petroleum is starting a well in the great Australian Bight, west of Port Lincoln. A total of 18 more wells are planned by exploration companies in the largely unexplored waters of the Bight. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 24 Nov 81 BK]

FRG LOAN SOUGHT--The Federal Government is seeking a West German loan of A\$117 million, that is U.S.\$133 million. The treasurer, Mr Howard, says a final decision on the proposed Deutsche mark public issue will be made next month in the light of market conditions. Mr Howard said that consistent of Australia being a net importer of overseas capital, it was the Federal Government's policy to borrow from overseas on a moderate scale from time to time. This financial year the government intended to seek loans totaling about A\$500 million. Last week, the treasurer denied reports that a treasury official was planning to visit Saudi Arabia to negotiate a Saudi Loan. [Text] [BK290909 Melbourne Overseas Service in English 0830 GMT 29 Nov 81]

JAPAN BEEF MARKET--Australia has told Japan of its concern at the erosion of its share of the Japanese beef import market. The minister for primary industry, Mr Nixon, called on the Japanese charge d'affaires, Mr (Tajima), to express the government's worries. Mr Nixon, who is to visit Tokyo later this month to discuss the issue, said that he would be raising it directly in the strongest terms with the Japanese ministers and officials. He said Canberra was particularly concerned that Australia's share of the Japanese market had fallen at a time when Tokyo's import of high quality beef from the United States was increasing. Mr Nixon noted that the settlement achieved under multilateral trade negotiations clearly gave Australia reasonable expectations of steady growth in the Japanese import of its meat. This was against the erosion now being witnessed, which if it continued, carried serious implications for the Australian beef industry. Earlier, in the wake of trade complaints from Australia, Japan announced that it was reducing the price of imported beef to boost the sale. [Text] [BK050932 Melbourne Overseas Service in English 0830 GMT 5 Dec 81]

'VOPE' REPORTS BATTLE NEWS IN VARIOUS AREAS

Wa District, Mong Yang

BK180310 Voice of the People of Burma (Clandestine) in Burmese to Burma 0030 GMT
18 Nov 81

[Text] Combat news: On 19 October, a people's mine attack in (Laung Tong Kyaik) in northern Wa District killed an enemy soldier from the military government's mercenary 3d Kachin Rifle Regiment.

On 4 November, a small unit of the People's Army attacked the military government's mercenary Kayah Rifle Regiment at (Wai Yang) in Mong Yang region. The attack killed six enemy soldiers including a mercenary officer and wounded four others. One pistol, 1 carbine, 2 G-3's, 1 M-18, 1 signal gun, 6 hand grenades, and 140 rounds of ammunition were seized from the enemy.

Mine Attacks in Kokang

BK210910 Voice of the People of Burma (Clandestine) in Burmese to Burma 0030 GMT
20 Nov 81

[Text] Combat news on guerrilla attacks in Kokang region: On 2 October, a small unit of the People's Army conducted an ambush against the military government's mercenary 4th Chin Rifles Regiment on (Lin Su) mountain, killing two enemy soldiers and wounding one.

On the same day, a clash with the enemy at (Lu Khin Su) killed three enemy soldiers and wounded one.

On 8 October, a people's mine attack at (San Kho Kang) in (Yawng Htong Kyeng) killed two enemy soldiers.

On 22 October, a small guerrilla unit of the People's Army conducted an attack on (Kyu Kang) Road, killing one enemy soldier.

On 25 October, a mine attack by a small unit of the People's Army on (Ta Kwan) mountain killed one enemy soldier and wounded another from the military government's mercenary 109th Light Infantry Regiment.

Shan State

BK220827 Voice of the People of Burma (Clandestine) in Burmese to Burma 0030 GMT
22 Nov 81

[Text] A 9-month battle report from central Shan State: Between 1 January and 30 September--a 9-month period--the People's Army fought 30 battles against the military government's mercenary army on the western side of Mong Kung-Lai-hka Road. Forty enemy soldiers were killed and 57 others were wounded in these battles. Thus the People's Army put 97 enemy soldiers out of action, and also seized 3 firearms and almost 400 rounds of ammunition. One military vehicle was also destroyed.

In the same period, guerrilla units of the People's Army fought with the military government's mercenary army on the western side of (?Tonglau)-(?Na-lang) Road six times. Ten enemy soldiers were killed and six others were wounded in the clashes.

Comprehensive account of battles fought jointly by the People's Army, the Shan State Nationalities Liberation Organization [SSNLO] and the Kayan New Land Revolutionary Council [KNLRC] in a 9-month period: Between 1 January and 30 September, combined units of the People's Army, the SSNLO and the KNLRC fought 49 battles with the military government's mercenary army in southern Shan State. In these battles, a total of 131 enemy soldiers were killed, 98 others were wounded and 1 was taken prisoner. Thus a total of 230 enemy soldiers were put out of action.

A total of 21 assorted firearms, over 700 rounds of assorted ammunition, 1 telegraphic transmitter and some other military supplies were seized from the enemy. A bridge used by the military government's mercenaries was also blown up and destroyed.

CSO: 4211/5

BRIEFS

PEOPLE'S ARMY ATTACKS IN KENG TUNG--Combat news: On 11 November a People's Army unit attacked the camp of the military government's mercenary force in (Yang Kha) on the Keng Tung-Mong Hpyak road, killing six enemy soldiers. Three carbines, 1 G-2, 1 Sten gun, 9 artillery shells, 180 rounds of ammunition and some military equipment were seized from the enemy during the attack. On 25 November, a People's Army unit launched a surprise attack against the military government's mercenary 1st Rifles Regiment camp in (Kaung Pha) near Keng Tung. According to initial reports, eight enemy soldiers were killed and two were taken prisoner during the attack. Two carbines, 2 G-2's, 2 G-3's, 1 G-4, over 1,800 rounds of assorted ammunition—including 2-inch mortar shells—hand grenades and other military equipment were also seized from the enemy. [Text] [BK041311 (Clandestina) Voice of the People of Burma in Burmese to Burma 0030 GMT 4 Dec 81]

APPOINTMENT OF AMBASSADORS--Rangoon, 7 Nov--The President of the Socialist Republic of the Union of Burma has appointed U Kyaw Khin as Ambassador Extraordinary and Plenipotentiary of the Socialist Republic of the Union of Burma to the Union of Soviet Socialist Republics.--NAB [Text] [Rangoon THE WORKING PEOPLE'S DAILY 7 Nov 81 p 8]

TO INDONESIA--Rangoon, 7 Nov--The President of the Socialist Republic of the Union of Burma has appointed Dr Bo Lay as Ambassador Extraordinary and Plenipotentiary of the Socialist Republic of the Union of Burma to the Republic of Indonesia.--NAB [Text] [Rangoon THE WORKING PEOPLE'S DAILY 7 Nov 81 p 8]

TO MALAYSIA--Rangoon, 7 Nov--The President of the Socialist Republic of the Union of Burma has appointed U Myint Aung as Ambassador Extraordinary and Plenipotentiary of the Socialist Republic of the Union of Burma to Malaysia.--NAB [Text] [Rangoon THE WORKING PEOPLE'S DAILY 7 Nov 81 p 8]

CSO: 4220/121-E

DELEGATION TO ATTEND U.N.-SPONSORED CONFERENCE IN CHINA

No Plan To Meet With Chinese Leaders

Jakarta HARIAN UMUM AB in Indonesian 16 Oct 81 pp 1, 2

[Excerpts] An Indonesian parliamentary delegation consisting of six members and headed by Dr. T. Iswari, who is a member of the Golkar (functional group) faction and the vice chairman of Commission VIII, is planned to leave for Beijing on 23 October.

Dr Tien Iswari informed newsmen of the visit on Thursday afternoon [15 October] after the delegation had met with Information Minister Ali Martopo on the visit. He added that the delegation's sole mission was to attend the Asian parliamentary conference on population and development.

"The conference is taking place in Beijing, and we are attending it at the invitation of the United Nations Fund for Population Activities (UNFPA)," he said, clarifying that there was no plan for the delegation to meet with Chinese leaders.

The parliamentary delegation had been contacted by Daryatmo, chairman of Parliament, after the close of the first session of that legislative body.

"We have been given no other instruction. We shall only discuss world problems relevant to the conference agenda," he replied when asked what had happened during the meeting with Information Minister Ali that afternoon.

It appears that the six-member delegation will be accompanied by Djoko Sujono, head of public relations for the National Secretary of ASEAN [Association of Southeast Asian Nations].

Solons Comment on Visit

Jakarta HARIAN UMUM AB in Indonesian 17 Oct 81 pp 1, 8

[Excerpt] Drs Surjadi, the youthful member of the PDI (Indonesian Democracy Party) faction of Parliament, feels that naturally the best possible use should be made of both private and functional opportunities that concern developments within a nation. Surjadi gave this response when questioned by the KNI

[Indonesian National Committee] on Friday [16 October] at the Parliament building in Senayan in connection with the visit of the Parliamentary delegation to Beijing (China) to attend the population conference.

Since the conference is being organized by the UN, he said, that is by the UN Fund for Population Activities (UNFPA), the population problem is a fundamental one for us as UN members.

This is a basic and serious problem for Indonesia, and therefore, there is no reason why Indonesia should not attend this session. Moreover, it is necessary that Indonesia additionally be able to offer proposals on population policy and benefit from hearing and studying how other countries have solved their population problems.

The PDI faction secretary said that by abiding by the fact that RI-PRC relations are frozen, trade relations with China to date have been handled by third parties. Therefore the third party automatically reaps larger profits than either of the other two parties. Thus earnest consideration should be given to the best possible step to be taken with regard to effecting direct two-way trade.

"I believe there are many commodities that could be sold to China," Surjadi said. Surjadi, who sits as chairman of Commission X (research and technology), believes the delegation's visit by nature is a private as well as a functional one. The members' eyes will be opened by more accurate, up-to-date, first-hand information on PRC developments and personalities rather than having to rely on the articles and reports of other individuals who, of course, have views and interests which differ from ours, he said.

"We must have confidence in our own ability to be the eyes and ears on matters of interest to our people and nation," Surjadi said.

Meanwhile, H.M. Amin Iskandar, an FPP [Central Pantjasila Front] faction member, said the decision to send an Indonesian parliamentary delegation to Beijing actually placed Indonesia in an awkward position. On the one hand, Indonesia does not want to absent itself from all activities of world bodies since Indonesia is a member of those organizations. On the other hand, the selection of Beijing as the meeting place conveys undesirable political indicators.

The Commission I (foreign affairs and defense and security) member said it had been noted that a PRC delegation had come to Indonesia to attend an international conference conducted by UN in Yogya some time ago.

If the visit of the Indonesian parliamentary delegation is construed as a return visit, then the PRC strategy to break the freeze in diplomatic relations could succeed as was the case with the United States in using ping pong diplomacy.

In view of the situation, conditions, and present PRC attitude toward helping subversive communist parties in other countries, Amin Iskandar said, it is hoped that Indonesia will act cautiously in this matter.

6804

CSO: 4213/11

BRIEFS

INDONESIA FAVORED ON TIMOR INTEGRATION--Bangkok--The Vatican is convinced that integration of East Timor into Indonesia is the best means of assuring the development and progress of this former Portuguese colony. This statement was made by Indonesian Foreign Minister Mochtar following a meeting with Monseigneur Pablo Puente, Apostolic Nuncio in Jakarta. The Apostolic Nuncio was heartened by the assistance that the Indonesian Government had given to Catholic community of East Timor. This community is not a member of the Indonesian Catholic Church. Last August Suharto, the chief of state, urged the church authorities to initiate measures for integration of the local church into the Indonesian Catholic Council. [Excerpt] [Paris LE MONDE in French 25 Nov 81 p 6]

CSO: 4200/9

SIHANOUK INTERVIEWED ON INTERNATIONAL RELATIONS

Paris POLITIQUE INTERNATIONALE in French Autumn 81 pp 161-176

[Interview with Prince Norodom Sihanouk, former king and head of state of Cambodia, president of the FUNCINPEC (National Union Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia), author of the following publications among others, "L'Indochine vue de Peking" [Indochina Seen from Peking], Le Seuil, 1972; "Chroniques de guerre et d'espoir" [Chronicles of War and Hope], Hachette, 1979; "Souvenirs doux e amers" [Sweet and Bitter Memories], Hachette, 1980, by Patrick Wajzman: "My Cambodia"]

/Text/ Patrick Wajzman: Your Royal Highness, in 1972 you wrote in a book, published in collaboration with Jean Lacouture, that Indochina would never be "Hanoized" and that Cambodia and Vietnam could live in an atmosphere of good understanding. Was your prediction imperfect or were events unforeseeable?

Norodom Sihanouk: Events were rather unforeseeable. Generally speaking, I do not really like prophecies. Because events always wind up giving you the lie and ridiculing you. You want proof? Even my excellent friend Jean Lacouture--whom you mentioned a moment ago--did not anticipate the horrors of the Khmer Rouge; and you undoubtedly remember the enthusiastic articles which he published at the time on this revolution whose barbarism he had not suspected. Well, he was wrong--a sincere man, a faithful man. Me, too. That is all. But allow me nevertheless to add that the extraordinary confidence which our friends of the European left have for so long been placing in the "pure, hard, and human" socialism of Pol Pot and his followers raised by hackles and surprised me.

PW [Patrick Wajzman]: But did you yourself not yield to this funereal illusion?

NS [Norodom Sihanouk]: That is true I, too, believed that the Khmer Rouge were good revolutionaries. I believed that my country would have great luck if, thanks to them, it were to manage to defeat American imperialism and the thoroughly rotten puppets of the regime of Lon Nol. Once again, I was only thinking of my people, as I have always done. Thus it seems to me today that the Vietnamese protectorate provisionally constitutes a lesser evil than a possible return to power by the men of Pol Pot. The vast majority of Cambodians by the way would react in the same fashion. Does this mean that we, my people and I, are pro-Vietnam? Certainly not. Does this mean that one should condemn us for the simple reason that we are forced to choose the lesser of two evils? Not at all. As you

can see, history does not always offer us a possibility to make our political choices and our preferences coincide. I repeat: yesterday I opted for the hope represented by the Khmer Rouge against the clique of Lon Nol who was controlled by Washington. And today I reject those same Khmer Rouge because there is no way out of their adventure. In both cases, I am guided only by the higher interests of my people. I was wrong once. Should I therefore persevere in error?

PW: What, in your view, are the optimum objectives of the men in Hanoi? Do you think that, after having grabbed South Vietnam, Laos, and Cambodia, they would like to go so far as to destabilize Thailand? In a word: what, in your opinion, are the geopolitical limits which Vietnamese imperialism has set for itself?

NS: Allow me, first of all, to make a brief remark. It is true that the Vietnamese have always been imperialists; and everybody recalls that, what later on became South Vietnam, used to belong to the Khmer empire. But do not forget that, although Hanoi's army today occupies my country, this is because the Khmer Rouge provided the pretext for it. It is the friends of Pol Pot who, from the very beginning, are responsible for the conflict between us and Hanoi. As far as I am concerned, I have always tried to make sure not to provide a pretext for the Vietnamese imperialists. At the time when I was in charge of the destinies of Cambodia, I deliberately pursued a policy of aid and friendship toward them. As you know, I greatly helped the Vietcong and the North Vietnamese in their struggle against the Americans. That was very carefully calculated. A kind of "patriotic calculation" which made me support the men whose victory over Washington seemed inevitable to me.

Lon Nol had put his money on the Americans; he was wrong, and that is the least one could say. I put my money on the Communists of Hanoi and I was right. I thought as a matter of fact that, by helping, I would win their recognition and thus preserve my country from their "appetite." Every year, on the occasion of Tet, I went to Hanoi. I stayed there several weeks. I discussed the future with the Vietnamese leaders and in the end I developed the deep conviction that those leaders were sincere and that what I just called my "patriotic calculation" was justified.

PW: Are you trying to say that, if you had remained in power, the Vietnamese would not have occupied Cambodia?

NS: You cannot remake history. But, in any case, my profound conviction deep down is this: if Nixon had not supported Lon Nol, the latter would immediately have fallen. I would have come back to power. Because Peking and Hanoi, at the end of 1970, were in agreement to reinstall me at Phnom-Penh at the head of a neutral Cambodia, knowing perfectly well that I would have pursued an equally friendly policy toward China and toward Vietnam. At the time, Peking was still supporting Hanoi against Washington; the Chinese-American honeymoon did not exist at that time. The scheme which I have just drawn for you thus was perfectly practical. This is why I believe that I can say without excessive vanity that my presence at the head of the Cambodian state would have made it possible to prevent the dramatic occupation which my country is now undergoing. Is that what you wanted me to say?

PW: Perfectly, Your Royal Highness. But Indochina is not only Cambodia. Are you thus thinking that your return to head the Cambodian state would also have made it possible to forestall the invasion of South Vietnam and of Laos by the troops of Hanoi?

NS: As for Laos, that is an entirely different case. Because the Pathet Lao had always been enfeoffed to Hanoi. Their victory over the Laotian right and left was a victory of the Vietminh, no more and no less. And the occupation of Laos by the troops of Hanoi in the final analysis only helped finish a development which already existed in the latent state. In other words, Laos had given up its independence to the benefit of the Vietnamese even before having been occupied by them. How can one compare this situation to the situation of Cambodia where the Khmer Rouge--regardless of their faults--have always been extremely independent with respect to Hanoi? I might add that Laotian and South Vietnamese emigration is very strong whereas the Cambodians remained rooted to their soil and desperately hold on to their land to resist the invader from Hanoi. No, really, there is nothing in common between the situation of Cambodia, on the one hand, and the situation of Laos and South Vietnam, on the other hand.

PW: If you would, let us please go back to my initial question, after this little side-trip. Do you get the feeling that the North Vietnamese leaders want to destabilize Thailand?

NS: As you know, the Vietnamese are gluttons but they are clear-headed. They know that their digestive capacities are not endless. This is why, in my opinion, they will completely try to absorb that undigested food represented by Cambodia before they attack Thailand. And that will take them many long years. Besides, the leaders in Hanoi are perfectly clear on the risk which they would be facing in invading Thai territory. They know that they would run into the same difficulties that Napoleon and Hitler encountered in Russia. They also know that the United States and the entire free world are behind Thailand. Finally, they know that Ronald Reagan has nothing in common with Jimmy Carter, the Soft, and that the man in the White House now is a man who would not fail to react if the regime in Bangkok were to have to yield under the blows of Vietminh imperialism. Because, then, it would soon be the turn of Singapore and the other Southeast Asian countries. Even Australia and New Zealand would no longer feel safe. And that obviously is not acceptable to Washington. But there is another obstacle to a possible destabilization of Thailand.

PW: Which?

NS: I am getting to that. In Thailand they have a communism which is fighting against the Bangkok regime. Now, that communism does not belong to the Moscow-Hanoi church but to the Peking church. That would also complicate the task of the North Vietnamese. Do not forget either that the soldiers of Hanoi, by invading Thailand, could not present themselves as the "liberators" where this is precisely the role which they assigned themselves by penetrating into Cambodia. Here is the trouble: in Thailand, there are no Khmer Rouge, there is no Pol Pot, there is no hated faction to be eliminated with the approval of the local population!

PW: Did not the Hanoi leaders nevertheless try to introduce a "fifth column" in Thailand?

NS: Yes, you are absolutely right. Today, in Laos, the occupiers from Hanoi are training militants of the Pathet Lao who speak Thai and who infiltrate Thailand. What makes the whole thing even easier is the fact that there are several million

citizens of Laotian origin in Thailand. There are more Laotians in Thailand than in Laos itself. And among those Thais of Laotian origin, there is obviously a very large number who are in favor of the Pathet Lao, in other words, of Hanoi and, indirectly, Moscow. In summary, I believe that the North Vietnamese leaders will eventually try to destabilize Thailand only after that country has been undermined from the interior by the "fifth column" we just talked about. But that is not something for tomorrow.

PW: That brings us to the Soviets. In your opinion, what is the degree of autonomy of the North Vietnamese with respect to the masters in the Kremlin? Are they not just the docile and servile puppets of Moscow?

NS: Not at all. The Vietnamese are extremely independent people. They are much more the accomplices of the Soviets, rather than their employees. The Russian will never get to be the boss of the Vietnamese. But it so happens that, for the time being, the objectives of the Russians and those of the Vietnamese coincide; both of them are concerned with blocking the way of Washington and Peking. It is as simple as all that.

PW: Simple--and dangerous.

NS: Very dangerous. Because the Russians, as you know, are extremely "present" in Indochina. Not only in Vietnam, where they are using the former American bases, but also in Cambodia. Why does nobody ever talk about the land, air, and even naval bases which the Soviets are building on Khmer territory?

PW: Do you believe that this "association of troublemakers" between Hanoi and Moscow will last a long time or do you expect, on the contrary, a reversal of alliances in the region?

NS: In my opinion, it will last for as long as the alternate solutions appear terribly chancy. Why, as a matter of fact, did the Vietnamese ally themselves with Washington? The Americans promised some "carrots" to the masters in Hanoi in case they agreed to be more cautious. But it was not in their interest to be cautious. Why did they renounce Cambodia and Laos? Moreover, there was never really anything between Washington and the Vietnamese communists. Let us therefore, if you will, drop the American option.

That leaves us with China. I do not very much believe in that hypothesis either. First of all, because China has a common border with Vietnam and because the proximity of such a powerful neighbor can only cause "frictions." Next, because there is strong racial opposition between the Chinese and the Vietnamese. The Westerners do not clearly perceive this aspect of the problem although it is essential. I would even say that, for the Vietnamese, it is easier to love the Russians than the Chinese.

PW: Let us go further. Do you not think that there are objective reasons which persuade the Russians and the Chinese not to want to settle the Cambodian problem? The Russians as a matter of fact are "exploiting" the war in Cambodia to keep Indochina tied to them; as for the Chinese, they use that conflict to denounce Vietnamese-Soviet expansionism.

NS: It is always difficult precisely to evaluate the dose of cynicism of the Big Powers. But in any case, even if the war in Cambodia objectively played into the hands of the USSR and China, this does not mean that Peking and Moscow are thinking of moving closer together. My conviction as to that became stronger with each of my long sojourns in Peking. As far as I am concerned, I never met a single Chinese who does not viscerally detest the Russians. Just as much as the Chinese have a natural inclination to love the Americans (I saw that for myself during Nixon's visit to Peking and that by the way made me very angry), so do they hate the Russians, just as much. This is a deep feeling which we would be wrong to underestimate.

PW: Do you believe thus in the perennial nature of the antagonism between Moscow and Peking?

NS: You know, I may be wrong, as I was wrong regarding Hanoi's expansionism. But, in all sincerity, I do not believe in reconciliation between Moscow and Peking. Once again, I am not thinking that the Chinese would ever manage to overcome their hatred of the Russians.

PW: Let us nevertheless image that Chinese-Soviet hostility is not irreparable. Do you get the feeling that such a rapprochement between Moscow and Peking would help the settlement of the Cambodian conflict?

NS: Yes, that is my feeling. Because if there were to be a compromise between the two giants, it would take place necessarily to the detriment of North Vietnam, whereas Cambodia could then enjoy a status of neutrality. It would move beyond the reach of the Khmer Rouge, supported by Peking, and the hold of Heng Samrin, who is manipulated by Hanoi and the Kremlin. But in this respect I would like to confide to you a little secret.

PW: I am all ears.

NS: Well, here it is. I often talked about these prospects with my best friend, the North Korean President Kim Il Sung (I am saying that he is my best friend because he is the only one who did not make his support for my cause to depend on this or that condition; the Chinese on the other hand spent their time trying to "sign me up" side by side with the Khmer Rouge). Now, listing the various ways to settle the Cambodian problem, I told him the following, in general terms: "Mr President," I told him, "you are a communist and you manage to maintain good relations with Peking, without the USSR taking umbrage--why did you not intervene in this affair? Why are you not using your position as an arbiter between the churches of Peking and Moscow to try to settle the problem of Cambodia which precisely is the crossroads at which these three churches face each other? In a word: why do you not propose to the Soviets, to the Chinese, to the representatives of Heng Samrin, and to those of Pol Pot, to meet in Pyongyang, under your chairmanship, in order to end the sufferings of the Khmer people?"

PW: In other words, a conference attended exclusively by communists.

NS: Yes, of course. It is much easier for a communist to make other communists understand that any quarrel between communists is necessarily counterproductive!

Kim Il Sung thus could have proposed that a realistic compromise be worked out: a neutral Cambodia, directed by a national reconciliation government which would have brought about coexistence between a pro-Chinese wing, a pro-Soviet wing, and, in the middle, a chief of state who controlled the whole thing.

PW: You, my Lord?

NS: Yes, I. In any case, for a provisional period of time.

PW: Your suggestion apparently was not received with enthusiasm.

NS: For the simple reason that Kim Il Sung, who is not so young any more, did not want to commit himself to so complex an undertaking. His essential concern as a matter of fact is the reunification of the two Koreas and he wants to devote his best energy to this historical task and to it alone. I can certainly understand that.

PW: So, what to do now? How can one help you? Because China would like to tie you to the Khmer Rouge and the USSR is hostile to you, is there any hope from the Americans now?

NS: I told the Americans that they should help me establish a big Sihanoukist army --which would have been easy, considering the extraordinary popularity I retain in Cambodia. A big army intended not to crush the Vietnamese occupiers (which is impossible) but at least to make their life unbearable. Unfortunately, they did not listen to me. During the term of Jimmy Carter, I went to Washington. I talked to the people in the State Department and I tried to make them understand that their interest and my interest coincide henceforth. But--I repeat--they gave me to understand that my mission was useless and that America, by giving me assistance, would be committing a kind of political suicide.

PW: Jimmy Carter--and everybody knows that--never stood out by virtue of his political lucidity. But what about Ronald Reagan? Do you have any contacts with his administration?

NS: None, except through Intam, the former premier of the Khmer Republic; he participated in the coup directed against me in March 1970; later on he again became a Sihanoukist. Well, if I am to believe Intam, there is nothing to be expected either from Ronald Reagan.

PW: Whom are the Americans putting their money on in Cambodia? What is their "card" --if you allow me to use that expression?

NS: It is a very sad thing to say but their "card" is the Khmer Rouge army. The men who are in power in Washington think that only the soldiers of Pol Pot are capable of making the Vietnamese retreat.

PW: Do you not think that the Europeans could help give the "Sihanouk card" credibility?

NS: Undoubtedly. But that would not be easy because I must say that many of them, in the foreign offices, did not help me much. First of all, because my backbone is not flexible enough; and then because I do not shoot my mouth off easily and have no susceptibilities whatsoever; finally, because I happen to be proud and sometimes even haughty. You know, people above all appreciate those who flatter them, polished, neat, and courteous people. This is why Son Sann¹ is so appreciated today. The Anglo-Saxons call him "Mr Clean." And, after that, what? In spite of his niceness Son Sann does not have the charisma that would enable him to electrify the masses, to rally them around his name and to get things moving again. People are beginning to realize that now. I might add that the Cambodian intellectuals, who are in exile in Paris or elsewhere, too often present a distorted image of what I continue to represent for my people. Now, these intellectuals are uprooted individuals who no longer have any contact with the real situation in Cambodia and who stupidly and gratuitously keep demanding: "Take Son Sann, take even the Khmer Rouge, but above all, do not take Sihanouk!" How, under these conditions, could you expect the Europeans not to wind up considering me a plague?

PW: Would you nevertheless go so far as to say that the problem of Cambodia is best understood by the French now that Francois Mitterrand is in Elysee Palace?

NS: As you know, I was received by Mr Cheysson whom I found extremely receptive. Your foreign relations minister even told me that Mitterrandian France was dreaming of serving the cause of Cambodia. Of course, the French government could not take the risk of exposing itself too much by playing the "Sihanouk card"; but, overall, the France of Mitterrand does not seem to me to be any more inclined to help us than the France of Giscard. I had proof of that during my last meeting with Jean Francois-Poncet under the presidency of V.G.E. [Valery Giscard d'Estaing]. Claude Cheysson's predecessor at that time first of all warned me and asked me please not to undertake anything from French territory which could alter French-Soviet or French-Vietnamese relations. For example, recruiting an anti-Hanoi army. That, you will agree, was a rather disappointing beginning! I must admit that the socialist France of Francois Mitterrand, in spite of the inclusion in the administration of communist ministers lined up with Moscow--no matter how profound my aversion to communism in all of its forms may be--seems less inclined to go along with the Kremlin and its allies than the France of Giscard.

PW: But are you not afraid that the influence of these communist ministers in the end would confuse our perception of the real situation in Indochina? After all, in reading L'HUMANITE, we can see that the PCF [French Communist Party] continues to deny any Vietnamese expansionism and keeps on analyzing the painful events experienced by Southeast Asia as just so much fallout from "French colonialism" and from "American imperialism!"

NS: French colonialism, that poor chap, has absolutely nothing to do with our difficulties! As I just indicated to you, Claude Cheysson is dreaming of "rendering a service" to Cambodia; but we are dreaming of the French colonialism of the good old days! And when we compare it to the current situation, that colonialism inspires us with nostalgia. I am--I believe--very well placed to talk about this because I fought against it at that time. But everything is relative. To answer your question clearly, I would simply say this: who still takes L'HUMANITE seriously, including among the members of the PCF? As for Georges Marchais, he is really funny!

PW: Since we are making judgments on individuals, I would like you to tell me who, in your eyes, are the European political leaders who best understood the Indo-chinese problem in general and the Cambodian problem in particular?

NS: I really respect only two men: General de Gaulle, whose speech at Phnom Penh was entirely prophetic, and Pierre Mendes-France who thanks to the 1954 Geneva Conference gave us several years of peace.

PW: And what about the American politicians?

NS: Nobody. There is not a single American who understands Cambodia. Except perhaps for Mike Mansfield who is currently ambassador to Japan. I am sorry he did not continue to remain a senator because in that job he could have continued to render us infinitely more services than by displaying his diplomatic competence in Tokyo. Mansfield was always one of the few men to maintain that Washington must not abandon Sihanouk. Is that not a sign of extreme lucidity?

PW: Let us get back to the specific problem of Cambodia. Under what conditions would you agree to take over at the head of a broadened front? Furthermore, if this were to materialize, do you think that such a front should include the Khmer Rouge or that, on the contrary, it should isolate them? In short, facing an apparent situation of deadlock, what would you suggest to give peace in Indochina some chance, even a minimum chance?

NS: You are quite right in asking me this question because--as I just reminded you--so far our attempts have not been fruitful; neither Kim Il Sung, nor the Americans, nor the Chinese have constructively responded to our appeals. We must therefore find something else and explore all possibilities--as a matter of fact, there are three of them--which are available to us. And when I say "us," I am obviously talking about the Cambodian people.

First of all, we can dream of a "Third Force," a sacred union movement rallying all Cambodian nationalists (the partisans of Sihanouk and of Son Sann)² and excluding, on the one hand, the Khmer Rouge, and, on the other hand, the "nazi-style governors" of the Soviet-Vietnamese. By that I mean the men of Heng Samrin, the puppets who are in power in Phnom Penh. It goes without saying that, to be really effective, this Third Force would have to be aided militarily by the United States because China in all probability would continue to arm and finance Pol Pot and his friends.

I must say that this scheme becomes all the more critical as the Khmer Rouge, within the next 2 years, will see their international legitimacy eroded. In particular at the UN, where they still, as you know, hold the seat for Kampuchea.

Out in the field, we thus have two distinct forces: the force of Pol Pot and our force, fighting parallel against the Vietminh invader.

PW: Does that mean that a victory over the forces of Hanoi seems possible to you?

NS: Frankly, no. The Vietnamese, who have managed to defeat powerful America, are not parade-ground soldiers. And Washington knows that only too well. If

the scheme I just talked to you about should materialize, its international impact would be such that the leaders of Hanoi and the Kremlin would probably be forced to participate in a conference of the Geneva 1954 type. This is precisely what we want. Perhaps Mendes-France—who gave us every opportunity—could symbolically sponsor such a conference.

PW: Why not, as a matter of fact? But, Your Royal Highness, let us take up the second possibility which also seems to you to be capable of getting the situation moving again.

NS: The second option appears much more repugnant to me but we must also contemplate it because that is what Washington and Peking want and I do not know how completely to reconcile the desires of those two giants. This would involve setting up an enlarged front, this time consisting of the Cambodian nationalists and the Khmer Rouge. On that assumption, the United Front and the coalition government which would see the day would no longer be two-headed with the Sihanoukists and the Son Sannians --but three-headed since they would make room for the friends of Messrs Pol Pot and Khieu Samphan³. The only trouble is this: this simply would not fly. First of all because the Khmer Rouges, who feel that they have things going their way and who are gaining ground with every passing day, do not want to yield anything to Sihanouk and Son Sann. Khieu Samphan even wrote to me recently to let me know that he did not have the slightest intention of meeting me and that the idea of a possible coalition with me was totally out of the question! As for Son Sann, I received him here, at Mougins, early in August; he came to see me under pressure from the United States, from ASEAN, and some other countries, but the political result of our meeting was not much to write home about. Son Sann wants to build a coalition including his own supporters and the Khmer Rouge but without Sihanouk or rather with the distant support of Sihanouk but not with his participation. This is not very realistic, is it not?

Besides, Son Sann and the Khmer Rouge do not even manage to understand each other. They disagree already on the distribution of powers and authority within a future government. Son Sann wants to distribute jobs as he pleases and moreover demands that the Khmer Rouge chieftains--Pol Pot and a few other executioners of the Cambodian people--immediately go into exile in Peking or somewhere else. So you see, in moral terms, Son Sann is rather right; but in practical terms he is not! How would you, under these conditions, have the Khmer Rouge, Son Sann, and me get together to lay the foundations for a tripartite coalition? That is chimeric.

PW: I agree, this is not very simple. But does that mean that this tripartite union project is definitely out?

NS: In theory, it could work. Provided, however, it follows two simple principles:

- (1) Creation of a united tripartite front with a president who would be Sihanouk and who would also be the chief of state (but a purely "honorary" chief of state);
- (2) Establishment of a likewise tripartite government in which the portfolios and responsibilities would be equally distributed and whose premier would be Son Sann.

PW: And what would become of the Khmer Rouges in this nice little structure?

NS: Well, I repeat, they would 33 percent of the ministerial posts. And Khieu Samphan, for example, could become vice premier or vice president of the republic.

PW: In all sincerity, you do not very much believe in that possibility.

NS: That is true, except if the Chinese, the Americans, and ASEAN put pressure on Khieu Samphan and Son Sann.

PW: You just mentioned to me three schemes. Now, if I am not mistaken, so far you have only mentioned the first two.

NS: The third scheme is not a particularly happy one either. But I must mention it to complete our conversation. Since Son Sann is with each passing day losing a little bit of his credibility and since his money suppliers are beginning to become aware of his ineffectiveness, some people certainly might advance the following suggestions: Sihanouk for president of a Khmer Rouge state.

PW: Indeed, a two-way alliance between you and the supporters of Pol Pot? In other words, without Son Sann.

NS: You understood me perfectly well. But I must tell you that, in this case, my people would very probably condemn me. And this would take place in spite of the capital of popularity I still have in Cambodia. This is why the idea of a three-way front seems preferable to me.

PW: Would your most loyal followers agree to a real get-together between Sihanouk and Pol Pot?

NS: Well, they would not be happy, that is obvious. But it so happens that some of them are increasingly forgetting the atrocities committed by the Khmer Rouge and, looking at the do-nothing attitude of Son Sann, they push me into going forward and sacrificing everything for the liberation of our fatherland.

Moreover, if I were to accept this type of two-headed alliance, the risk of having some day watch the Vietminh grab the seat of Democratic Kampuchea in the UN would definitely disappear. That would certainly be worth something.

PW: Pardon me for being so direct, but how could you hope to "throw your weight around" in facing the Khmer Rouge in such an unequal alliance?

NS: You know, I do not at all believe that the Khmer Rouge could ever again become the absolute masters of Cambodia. Not because of the "Sihanouk obstacle" but more simply because I do not see how the Vietminh could be defeated in the field. Consequently, asking whether Sihanouk "would be able to throw his weight around" in dealing with his Khmer Rouge allies after a common victory over the Vietnamese troops is something like a school hypothesis!

One thing is clear and that is that Hanoi would never agree to have the supporters of Pol Pot come back to power. For an evident reason: that would mean that Cambodia

has once again become a satellite of China. The truth is that, if the Vietnamese, in support of a political compromise, were to find themselves forced to evacuate my country partly, they would nevertheless continue to exercise their influence in it. As a matter of fact, at best, the Khmer Rouge and the Sihanouk supporters could only weaken the Vietnamese army, not defeat it. Under these conditions, why would you want the leaders of Hanoi to drop the idea of dictating the terms of a compromise which would be favorable for them?

PW: If I understand you well, you think that the idea of a totally independent Cambodia is a thing of the past.

NS: I am afraid so. At best, the destiny of Cambodia is delivered up to the double influence of Vietnam and the Pol-Potians. Or, if you prefer, that of the Soviet-Vietnamese, on the one hand, and the Chinese, on the other hand.

PW: All of this is not particularly encouraging. Is there not some political or military circumstance that could make it possible completely to relieve the Cambodians of the presence and influence of the Vietnamese?

NS: Think of the example of the Negus. He was exiled; he had lost everything and still World War II and the defeat of Italy offered him an opportunity to come back to power and to restore an independent state. After having expressed my pessimism or realism, I must confess that nothing in life is ever definitely lost. Irreversibility is only a matter of dreams.

PW: Your thinking is beautiful and deep. But you are not thinking that only a major conflagration could bring us an independent and sovereign Cambodia! You are not wishing for a third world war!

NS: That is not my wish quite obviously. But what have we to lose—those of us who have lost everything?

PW: In your opinion, should one estimate the liberation of Cambodia in a matter of years or decades?

NS: Why talk in terms of the calendar? I am happy to dream of a planetary Yalta between the three big powers, a kind of reshuffling of the cards which at last would offer my people a chance to breathe more freely.

FOOTNOTES

1. Son Sann, president of the FNLPK (National Liberation Front of the Khmer People).
2. In this setup, Norodon Sihanouk would be a protocolary head of state and Son Sann would be premier.
3. Khmer Rouge premier.

5058
CSO:4200/11

COURT REVEALS OFFENSES COMMITTED BY REPATRIATED THAIS

Vientiane VIENTIANE MAI in Lao 3 Sep 81 pp 2, 4

['Talking Together' Column: "A just Policy" by S. Thip Thiangchan]

[Text] On 27 August 1981 the Vientiane People's Court deported 26 Thais who had committed offenses. Each one was arrested in Vientiane Province but for different crimes. But from the completed investigation and the confessions of the defendants themselves all had violated the laws of the LPDR in four ways:

1. Entered the country illegally
2. Disrupted the peace and safety of the Lao people and committed petty theft
3. Sought to induce Lao people to flee their country
4. Smuggled goods into the LPDR

The shameless arrogance of the defendants demonstrates their intention to destroy the peace and safety of the Lao people, wreck the Lao national economy and serve the schemes of the imperialists, the international reactionary forces, and the extreme right reactionaries in the Thai power circles.

On the subject of the offenses of this evil group, legally speaking, they should be imprisoned from 1 to 3 years and fined 3,000 to 5,000 kip apiece. Although they violated the LPDR laws under the just policy of the LPDR party and government they are pardoned from the penalty of prison and fine. The Vientiane Province People's Court decided only to expel them from the LPDR to their country of origin. Nong Inthavong, who spoke at the repatriation proceedings, said "The 26 Thais have violated the laws of the LPDR, and disrupted the economy and political situation in Vientiane Province in many ways. Because of their deeds, they were arrested by the Lao people and public security officials, investigated, arraigned in court and tried under the nation's laws. After the court trial and confessions, it was evident that the group had indeed violated the regulations and laws of the LPDR. To pursue the LPDR government policy of equality in its fraternal neighborly relations with Thailand, and a humane policy, the Vientiane Province Court gave the verdict of expulsion from the LPDR with no payment of fine."

This action of the Vientiane Province Court was entirely proper because it is in harmony with the policy of justice of the party and government and the will of the Lao-Thai people who have had a friendly relationship since ancient times. It also shows clearly the humanity of our government, even in the policy of pardoning those who are misled, regardless of their being aliens with evil intentions against us.

In a policy of justice and friendship toward close neighbors of the LPDR, at all times our government and people have acted fairly but our enemies are the international reactionary imperialists and all other reactionary powers. They have never respected [us]. On the contrary, they have used every strategy to destroy our new regime in many ways, so it is in the case of the Thai mentioned above. This proved clearly that all these actions were a plan of deceit to destroy our new regime according to the insane intentions of the Chinese great-nation expansionist hegemonists, who conspire with the American imperialists to use the extreme right reactionaries in Thailand using bad Thais as their tools. They coordinate and participate with the Lao exiled reactionaries, who have military bases in Thailand, to infiltrate, destroy and threaten us directly, in their work inside our nation. Their intention is to weaken our solidarity and ruin us and then they will swallow our nation according to the last testament of Mao Zedong. Therefore, we must be alert and prepared completely at all times, firmly with every type of national defense force and public security force against all the tricks of the enemy, advancing the growth of the Lao socialist nation for permanent prosperity.

9615

CSO: 4206/4

LABOR UNION FAULTED FOR POOR RECRUITMENT EFFORTS

Vientiane HENG NGAN in Lao 8-15 Jul 81 pp 1, 12

[Excerpt] The expansion of membership in trade unions is a necessary demand. It is the objective of the socialist direction of our party. It is the function that supports the dictatorship of the proletariat. Every nation that is building socialism must make trade unions into a strong force, but this is difficult. This the problem of increasing the membership of the trade unions. We must develop them speedily. Then the working class will unite and expand their rights to mastery of the nation, as the labor force they will carry out the political duties of the party successfully.

The expansion of the rank and file of union membership has occurred in the machine shops, factories, mills, hospitals and vocational schools. Agricultural settlements and other production sections have had union members. Basic union sections have established union committees in many places. Of 100 workers, 50-60 percent are union members. Some units have more. At the same time, publicity for expansion has proceeded well and rapidly. Many new members have been recruited at the same time. All the workers clearly understand the role of the labor union organization. For this reason they have been bold and willing, voluntarily joining the union. Therefore, at present the rank and file of union members has expanded quite adequately. However, this is an initial expansion and we view the need here, and it is not adequate. We must improve many facets of our understanding and knowledge on this question of growth. We believe that it is a weakness that we must look at and seek methods of solution. Before all else we must understand that the trade union is a mass organization to rally social classes of the unions and working people. If we do not all unite, the workers who love their country and the new socialist regime may not want to become trade members. We do not yet know essence of and have not yet firmly grasped the role of the trade union organization. Addressing the workers who have not yet become union members, they have not showed responsibility toward their social class, that is, the workers. We need to correct this quickly. We must correct the lack of awareness. In some places recruitment of union members in a whole year has not reached ten persons. Expanding any area is making a serious choice. Workers who recognize the role of the union and sent in written applications for membership months ago, have not yet been recruited. Worse still, in some production bases hundreds of workers have applied for union membership, but [only] three or five persons are accepted each time. Some people have not applied again. Some places have hundreds of workers but the cadres and union members do not pay attention to mobilization propaganda to induce them to be aware and become union members. They are left outside the organization of the workers' social class. They have not received the instruction and the tempering from the union organization, which is established to unite the workers' social class as a school for the new socialist Lao people.

BRIEFS

PHIANG DISTRICT POPULATION--Phiang District is one of the seven districts of Sayaboury Province. This district is 30 km southwest of Sayaboury. It has a total population of 19,716. There are 3,381 households, 68 villages, and 5 cantons. [Excerpt] [Vientiane SIANG PASASON in Lao 27 Aug 81 p 3] 9615

SAVANNAKHET POPULATION--Savannakhet Province has 7 districts, 110 cantons, 1,390 villages, and 459,000 people. [Excerpt] [Vientiane SIANG PASASON in Lao 1 Sep 81 p 2] 9615

BANK LOANS TO COOPERATIVES--From the beginning of 1981 to the present the Vientiane City-Province Bank sent its credit officers every week to agricultural cooperatives in various areas of Vientiane Province to encourage and advise on methods of applying for loans from the bank, especially those cooperatives that were facing difficulties in capital for use in production. After six months of their operation the Vientiane Province Bank authorized the agricultural cooperatives and various agricultural production sections to borrow 3,733,570 kip. This helped solve the difficult problems of the agricultural cooperatives, such as opening up land, draft power, materials and other necessities used in agricultural production. It also motivated the people in the annual rice cultivation to achieve the estimated goal successfully. [Text] [Vientiane HENG NGAN in Lao 8-15 Jul 81 p 2] 9615

COFFEE FACTORY PRODUCTION--In the first six months of this year the workers in the factory producing powdered coffee, which is under the Vientiane Province Industry and Trade Service, put forth tremendous effort in enthusiastic production. During this period they were able to achieve a production of 6,556 kg of No. 1 coffee, 1,600 kg of No 2 coffee, and 150 kg of special coffee. [Excerpt] [Vientiane HENG NGAN in Lao 1-7 Jul 81 p 2] 9615

CSO: 4206/4

FUJIAN YOUTH CONFERENCE MEETS, URGES COORDINATION OF CHINESE GROUPS

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 9 Aug 81 p 4

[Article: "Fujian Federation Youth Section Delegates Conference Asks the Fujian Federation To Hold a Conference of Chinese Political Parties and Chinese Associations and To Establish a Coordination Council, Establish Minimum Guidelines of Unity, Protect the Rights of Chinese Descendents Together"]

[Text] The Malaysian Fujian Federation Youth Section's Standing Member Delegates Conference today asked the Fujian Federation to call a conference of Chinese political parties and Chinese associations, establish a coordination council, establish minimum guidelines for unity of the Chinese political parties and associations to protect the rights of the Chinese descendents together.

The conference unanimously passed a resolution opposing the 1981 revised law of assembly and asked the government to abolish or revise some unreasonable articles to assure the freedom of assembly and speech by the people under the Constitution.

Support the Fujian Federation Holding Company in the Issuance of Stocks for Purchase by People of Other Native Origins

In addition, the conference also decided to allow the Fujian Federation Holding Company stocks to be purchased by people of other native origins when it discussed the stockholdings of the Fujian Federation and it assigned four delegates of the Fujian Federation Youth Section to participate on the board of the Fujian Federation Holding Company to help promote the stockholdings.

Chairman of the conference, Liu Guiming [0491 2710 2494] said as he mentioned the stockholdings of the Fujian Federation, applications for stocks have already been approved by the Central Bank.

But, he pointed out: The Fujian Federation has been slow in pushing forward the work of the holding company.

Head of the administrative organ of the Fujian Alliance Youth Section, Dato Huang Meicai [7806 5019 2088], believed the Fujian Federation Youth Section should send four delegates to participate in the board meetings of the Fujian Federation Holding Company to inject some life into the organization and to help promote the stockholdings.

The Second Conference of Standing Members of the Second Congress of the Youth Section of the Malaysian Federation of Fujian Organizations was held this morning at 10 am at the auditorium of the Selangor Chinese Independent High School. Chairman Liu Guiming presided over the conference.

The conference had earlier unanimously accepted and passed the agenda and the financial reports of the section.

Deputy section leader of Fujian Federation Youth Section, Zheng Yatong [6774 0068 6639], thanked, in his closing remarks, the Chinese Independent High School principal, Chen Shunfu [7115 7311 4395], for his arrangements and the lunch and dinner honoring the officials of the Fujian Federation.

Resolutions Passed

The following are the resolutions passed by the Second Conference of the Delegates of the Standing Members of the Second Congress of the Fujian Federation Youth Section:

1. Oppose the 1981 revised law of the assembly and request the government to abolish or revise some unreasonable articles to assure the freedom of assembly and speech of the people under the constitution.
2. Social Resolutions
 - a. Request the Malaysian Federation of Fujian Organizations to call a meeting of Chinese political parties and Chinese associations, to establish a coordination council which cooperatively would establish minimum guidelines for unity of the political parties and Chinese associations to protect the rights of Chinese descendants.
 - b. Urge the police to stop the rampant use of narcotics and strictly prohibit the publication of pornographic materials and the sale of pornographic video tapes.
 - c. Urge the government to give equality to all citizens of every race in politics, economy, education and culture, and while helping a certain race to increase its economic status and educational opportunities, the government should not practice favoritism and strip the citizens of other races of their rights.
3. Educational Resolutions
 - a. Urge the government to act according to the memorandum proposed by Chinese social, cultural and educational organizations when implementing the 3M plans to assure that the Chinese elementary schools will not change in nature. At the same time, the number of hours of English classes given each week at Chinese schools should not be reduced.
 - b. Scholarships Should Be Distributed Fairly and Reasonably to Qualified Poor Students of Each Race
 - c. Urge the nation's Chinese compatriots and Chinese organizations to take action by providing materials and economic support to help the development of Chinese

independent high schools, such as sending children to independent high schools to receive education and to hire graduates from independent high schools.

Urge the fair and reasonable distribution of federal government scholarships to qualified poor students of each race.

Summary: According to statistics, in 1979, federal government scholarships were given to 6,958 persons, the natives (bumiputra) constituted 96 percent, the Chinese constituted 3.1 percent, the Indians constituted 0.8 percent, other races constituted 0.1 percent. The above distribution has caused a serious discrepancy.

Urge the Ministry of Education to continue to conduct teacher training classes using Chinese as the intermediate language.

Urge the government to allow our nation's Chinese citizens to have the opportunity to receive complete education in an educational system from elementary school to university in their mother tongue.

4. Cultural Resolutions

a. Urge the Fujian Federation to implement reform of all Chinese traditions and customs that do not suit the times, such as extravagant celebrations of marriage, birthday parties, anniversaries and mourning of the deceased.

b. Urge the government to treat the use of languages of each race equally, such as allowing Chinese to be written on gateways, displays, signs and road signs, and to increase Chinese language television programs, eliminate bad Chinese language radio and television programs.

c. Urge the nation's Chinese associations to encourage members to purchase and read the works of our nation's Chinese authors.

Summary: This is because the works of Malaysian Chinese writers have not received popular support from the Chinese society.

Method: The Fujian Federation should write a letter to the nation's Chinese associations to ask members to enthusiastically support the works of Malaysian Chinese writers.

5. Economic Resolutions

a. Exert all efforts to support the Chinese associations to push forward and organize large enterprises to enter the economic realm and to solidify the economic foundations of the Chinese descendants.

b. Urge the government to give the authority of selling low priced housing to private developers.

Minutes:

Ask the Fujian Federation Youth Section to pay attention to the development of stockholdings of the Fujian Federation.

Summary: Its achievement directly affects the reputation of the compatriots of Fujian.

Urge the Fujian Federation to reserve a fixed number of stocks when soliciting shares for stockholding so that members of each unit subsidiary to the Fujian Federation Youth Section can buy the stocks.

Summary: This is to encourage young compatriots to participate in investing in large enterprises and to elevate the economic status.

Method: The reserved stocks should be promoted by each subsidiary section so that members can purchase the stocks.

Urge the Fujian Federation to appropriate more scholarship loans to help compatriot children to further their education.

Urge the Fujian associations of each state to quickly establish an interstate association committee.

Urge the headquarters association to organize groups to visit the youth sections of each locality to make contact with the compatriots and to promote unity among Chinese.

Urge each subsidiary association to conduct Chinese language classes whenever possible.

Summary: This is to allow compatriots receiving other types of education to participate actively in federation activities.

Speech by Liu Guiming

(Kuala Lumpur, 8 August) Chairman of the Youth Section of the Malaysian Federation of Fujian Organizations Liu Guiming [0491 2710 2494] pointed out: At present, there is still no Chinese organization that truly struggles for the rights of the Chinese society.

He hopes Chinese community leaders will face the seriousness of this problem and come together to map out a strategy.

Liu Guiming spoke at the Second Delegates Conference of the Standing Members of the Second Congress of the Federation this morning.

Liu Guiming said in his speech: "The Fujian Federation Youth Section has been in existence for 4 years now and during this period we have exerted efforts to serve compatriots.

"In recent years, the international situation has been unstable, our nation's leaders have also undergone reorganization. We hope the new prime minister will emphasize the middle road and implement such policies."

He pointed out: "Malaysia was founded 24 years ago. At the beginning of its founding, when the three major races held negotiations at Bireuen, the Malay

delegate proposed many proposals to protect the status of the Ibans, the Chinese delegate at the time did not express the wishes of the broad number of Chinese descendents, and thus the status of the Chinese today is weak.

He said: Special privileges for Muslims have already become facts, we hope other races can also enjoy reasonable treatment.

He said: The Chinese are apathetic about politics, if they don't develop political strength, what they can obtain in this county can be imagined by everyone.

He asked who was to blame for the inability of the Chinese political parties and associations to unite. One side believes support should not be given, the other side says it is a wish but not expressed. Shirking responsibility is not the way, we must find a way to solve the situation.

At Present, There Is No Organization That Can Truly Lead the Chinese To Struggle for Their Rights

In Malaysia at present, there is no organization that can truly lead the Chinese in fighting for their rights.

When the political party cannot truly seek the rights of the Chinese descendents, the Chinese associations should launch activities and the Chinese associations should not shout empty slogans but seek truth from facts and play their own roles.

He said the Fujian Federation has already established a unit. He hopes the Chinese associations can take charge and study strategy together, but the response of the leaders of Chinese associations has not been enthusiastic, proving that everyone does not care about the benefits of the next generation.

He hopes the Chinese associations will stand up to study the difficult situation of the Chinese and seek a breakthrough.

He said, the economy of the Ibans has already been elevated, and the Chinese must correspondingly elevate their economic status in this regard. The Chinese associations care about whether they can reach the goals of the new economic policy by 1990.

He said, in education, those who understand education have exerted all efforts to realize Chinese language education.

He hopes the nation's Chinese associations can also play an active role in Chinese language education.

Speech by Li Yannian [2621 1693 1628]

(Kuala Lumpur, 8 August) President of the Malaysian Federation of Fujian Organizations Tan Sri Li Yannian [2621 1693 1628] pointed out, it is necessary for each Chinese association conscientiously to study the systematization of the associations, including the structure and the goals so that the associations can play an effective role under the new situation.

Tan Sri Li Yannian spoke at the Second Delegates Conference of the Second Congress of the Youth Section of the Malaysian Federation of Fujian Organizations.

He said in his speech: "In recent years, the evolution and the development of Chinese compatriots associations have been very obvious. The participation of the younger generation can be considered as a main thrust. The activities initiated by our Fujian Federation Youth Section including cultural activities and entertainment, sports and panel discussions on social problems are all very significant and are worth praise.

"The Fujian Federation places a lot of hope in the Fujian Federation Youth Section, you are the heirs of the future.

"Viewing the evolution of the Chinese associations we see and feel that the roles played by the younger generation are more important.

"At present, we face a common problem, besides considering how more effectively to express the feelings of the Chinese descendents, we must also consider how to make the associations and compatriot organizations understand, explore or correct the traditional ideologies that do not suit the times, and how to establish a more effective organizational structure and foundation. These are the goals which the younger generation should pursue.

"The Fujian Federation Youth Section and the Yong Federation Youth Section and other national youth organizations have already progressed one step further in mutual communication and cooperation. But, it cannot be denied, we still encounter many difficulties and resistance in seeking greater cooperation and in establishing a foundation for unity.

"The most important thing is, we must be courageous in abandoning the narrow egoistic concept of kinship with one's own group. We must develop an enthusiastic sense of group discipline and greater collective spirit.

"The 58th anniversary of the culture festival held at the Chinese Auditorium is a collective and cooperative effort and a manifestation of the Chinese associations, it is hoped that this spirit can be spread to every corner of the nation."

Conscientiously Explore the Question of Systematization of the Associations so That They Can Play an Effective Role Under the New Situation

"We can see from the implementation of the recent revised law assembly and the reaction of the Chinese associations that coordination between associations is still difficult, therefore, we must explore and develop a plan that can shorten the distance in spirit and in action between the associations. Only in this way can we march toward the goal of unity on the basis of a more healthy spiritual ideology.

"Now, it is necessary for us conscientiously to study the question of systematization of the associations, such as the organizational structure of the associations, the charters and goals and efficacy so that associations can play a truly effective role under the new situation.

"I personally call on intellectuals to propose suggestions or participate in the development of the systematization of associations through collective study."

MCA OFFICIAL ACCUSES ENEMIES OF 'IDEOLOGICAL BANKRUPTCY'

Selangor KIN KWOK DAILY NEWS in Chinese 5 Jul 81 p 3

[Article: "Li Sanchun [2621 0005 2504] Accuses the Enemy of the Malaysian Chinese Association of Struggling on the Verge of Hopelessness and Being Ideologically Bankrupt"]

[Text] Head of the Malaysian Chinese Association (MCA) Dato Li Sanchun [2621 0005 2504] said today: The accusations made by some political enemies of MCA are struggles on the verge of hopelessness, and at the same time, they are already ideologically bankrupt.

Li Sanchun made the above accusation at the 1,000-person banquet held at 6 pm this afternoon to commemorate the 32d anniversary of the founding of the political party by the Pangkor branch of the MCA at the MCA Chinese Alliance School No 1 on Pangkor island.

He said, they only make various accusations because their political schemes of cheating have been seen through by the people. On the other hand, they cannot present to the people a plan of action that is broad in scope and carefully thought out. They are like a group of desperadoes, they are engaged in a death struggle. Let us see if they can create a smoke screen to cover up their lack of action and performance.

He said, many politicians are good at sweet talk and saying things that please others. But, political sweet talk and repeating famous sayings of ancient persons can never solve problems. The problem can only be solved by action and performance.

He said, the MCA welcomes all constructive criticism, but cannot accept malicious criticism with hidden intent. MCA will be criticized by those critics who do not understand the correct reasons of the plans carried out by MCA. On the other hand, some people express criticism because of jealousy. They do not wish to see the plans of the Malaysian Chinese Party achieve success, some people criticize for the sake of criticizing.

He emphasized, the Malaysian Chinese Association is determined to implement the plans and will have the same determination to carry out its political struggle. He hopes all party members strengthen their efforts and confidence to face the coming challenge.

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CSO: 4205/17

OFFICIAL URGES CHINESE TO ELIMINATE RACIAL BARRIERS

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 10 Aug 81 p 4

[Article: "Tun Chen Xiuxin [7115 0208 0207] Calls Upon the Chinese To Exert Efforts To Eliminate Racial Barriers, the Chinese Should Regard Themselves as Malaysians From Beginning to End"]

[Text] The government's financial adviser Tun Chen Xiuxin today urged the nation's Chinese to exert efforts to eliminate the barrier of racial segregation to establish a unified nation.

He said, Chinese should regard themselves as Malaysians from beginning to end, otherwise, we will face many serious problems.

Tun Chen Xiuxin is also an honorary chairman of the Malaysian Fujian Federation. He made the above remark as he conducted the opening ceremony of the 2d Delegates Conference of the Standing Members of the 11th Congress of the Fujian Federation today.

He said, the Fujian Federation did not catch up with the changes of the times and face the challenge of the times.

He believed, the Fujian Federation must consider ways to communicate with non-Chinese organizations, and thus promote harmony between races and at the same time help in some major social plans to prove that it can catch up with the times.

He said, "The present situation has fundamentally changed. We call ourselves Malaysians. We want the rights that a citizen should enjoy, and we have also performed our duties for the country, and in a multiracial society, besides our leaders, every citizen who can think, should have the will to eliminate the obstacles that favor racial segregation to realize a united country. I, of course, believe this is not possible in a short time, but this does not mean we should not exert all efforts to realize it.

"I want to make a personal proposal. I believe in this country, we should have a special organization to take care of those women and children who are being mistreated and beaten. I have talked with several friends, they are all prepared to support this endeavor. I hope the Fujian Federation can also conscientiously consider and support this plan.

Dr Tan Sri Li Yannian Believes the Fujian Federation Should Become a Political Organization

Chairman of the Malaysian Federation of Fujian Organizations, Dr Tan Sri Li Yannian [2621 1693 1628], also spoke at the conference. He said, to adapt to the needs of the times and organizational efficiency, social organizations and compatriot organizations must march towards a system of specialization.

He believed, if the social organizations and compatriot organizations emphasize the establishment of a scientific organizational foundation and management system, they will be able to develop greater strength and make greater contributions.

He also mentioned the 1981 revised law of assembly, and he believed the subordinate associations of the Fujian Federation should take unified steps regarding this question. He said, according to the stipulations of this law, it is firmly established that an organization can only continue to play a meaningful role as a compatriot organization if it becomes a political organization, therefore, the Fujian Federation has no other choice, but it is not necessary to rush things.

"Over the past year, the Fujian Federation has promoted the establishment of the 'Fujian Federation Holding Company Ltd' in addition to the activities of providing scholarship loans and literary scholarship awards. We hope officially to solicit shares starting from 1 September, and at the same time send delegates to visit the subordinate organizations at each locality.

"Talking about the revised law of assembly, we basically cannot agree with the stipulations governing civic organizations. Our stand is that compatriot organizations should also have the right to continue to play the role of expressing the sentiments of Chinese descendents. If only political associations can play this role, then we have no other choice. At the present stage, we agree with the opinions and stand expressed at the Selangor Chinese Auditorium.

As regards the resolution to promote the establishment of a general umbrella organization of Chinese organizations resolved at the last conference, the Fujian Federation's special group has made contact and carried out discussion with delegates of other national organizations several times. Because the subject involves a very broad scope and is very complex, and the Chinese associations of each state have also played a related role, further contacts and discussions are necessary.

"The evolution of Chinese associations and compatriot organizations has entered a new situation. The new social environment, challenge and pressure have forced the Chinese organizations to make corresponding changes, in spirit, in organization or in action. How to establish a more effective foundation and a system is worth exploring and consideration. Therefore, now is the time to try to establish modernized social and compatriot organizations.

"The organizational structure of social and compatriot organizations include the charter, purpose and effectiveness of their activities. They should be reviewed and appropriately adjusted on an overall basis, and the foundation of the activities of compatriot organizations should be further systematized. We cannot use the traditional methods to handle the organization and activities of compatriot

organizations. We must try to establish a new value concept and an organizational system.

"If the social organizations and compatriot organizations can develop systematically, they will demonstrate the determination and progress of the entire Chinese community in seeking to play an active and constructive role.

"We hope the leaders and intellectuals of the whole nation's organizations and compatriot organizations can cooperate to exert efforts in this regard.

"Of equal importance is that the existence of various types of social organizations and compatriot organizations should not continue or encourage the sentiment of 'one's own group egoism.' Everyone should cooperate and support each other, regardless of whether it is direct or indirect participation in such activities.

"Only in this way can we more effectively participate in the main stream of national and social development, whether in social and cultural or economic construction.

"At present, the Chinese society holds different opinions regarding how to seek a foundation for cooperation and unity, there is continuous debate. The important thing is: If we emphasize community discipline and the common benefits of the Chinese, we have no reason to believe that we cannot be united, and we should not willfully or unintentionally create or fall into schism. Regardless of whether it is in politics or social activities, infighting cannot solve problems. We must abide by the democratic spirit and procedure and place the national benefits above all else.

"Prime Minister Mahathir Mohamad recently called upon the people of the nation to treat each race fairly on the occasion of the Lesser Bairam festival, and at the same time, the government also made a similar assurance. We welcome and support such statements. We hope that the new cabinet under the leadership of the prime minister can carry out just policies, so that the nation will become prosperous and so that the policies will benefit all the people."

Earlier, general manager of the Fujian Federation, Huang Maotong [7806 5399 2717], expressed the hope that the compatriots will be humble and join forces to develop the business of the federation together to benefit the compatriots and to contribute toward social cooperation in the country in his welcoming remarks.

Resolutions Passed by the Conference

The conference passed the following resolutions:

1. Social Resolutions

a. Oppose the 1981 revised law of assembly, and request the government to abolish or revise some unreasonable articles to assure the freedom of assembly and speech of the people under the Constitution.

b. This conference believes that under the stipulations of the revised law of social assembly, it is definite that only by becoming a political organization can

an organization more effectively play an active role of a compatriot organization, but compatriot organizations should not rush into the matter. The conference asks members of each subsidiary association to prepare charters for each subsidiary association to follow and to play an active role as a compatriot organization under the new situation.

c. Urge the government to strictly prohibit political persons (especially ministers or vice ministers) from making radical statements that are harmful to the unity of the whole people, such as the series of ridiculous advocacies recently made public by the head of the UMNO [United Malay's National Organization] Youth Section, Su Haimi [5685 3189 4717].

d. Urge the government to prohibit and handle immigration of illegal aliens to avoid affecting domestic security and destroying social peace.

e. Urge the government to give equal status to all races in politics, economy, education and culture, and while helping to enhance the economic status and the educational opportunities of a certain race, it should not practice favoritism and strip the rights of the people of other races.

f. Urge the Chinese political parties immediately to stop mutual attacks, if this continues, they will not be able to struggle for the rights of the Chinese, but will gradually weaken the status of the Chinese.

2. Educational Resolutions

a. Urge the government to act according to the memorandum proposed by the Chinese social, cultural and educational organizations when implementing the 3M plans to assure that the Chinese elementary schools will not change in nature and to give fair financial assistance in all aspects.

b. Urge the government to appropriate educational funds proportionally according to the ratio of the number of students under the Fourth Malaysian Development Plan.

c. Urge the government to allow our nation's Chinese citizens to have the opportunity to receive complete education from elementary school to university in their mother tongue.

d. Urge the Ministry of Education to conduct a national Chinese elementary school teachers' "Chinese educational method research class" to elevate the teaching caliber.

Business of the Federation

Stockholdings of the Fujian Federation should be carried out as early as possible to suit and help elevate the economic development of the Chinese society.

The method of distribution of stockholdings of the Fujian Federation should be based on issuing stock purchasing applications according to the number of members of the subordinate associations of the Fujian Federation to let each member have an equal opportunity to participate and to show fairness.

Urge the Fujian Federation Holding Company to appropriate a proportion of the annual profits for university scholarship loan fund for dependents of members.

3. Economic Resolutions

- a. Urge the housing minister to announce quickly the list of legal housing development firms in the newspapers to prevent house buyers from being cheated by illegal housing development bureaus.
- b. Urge the government to avoid procurement of the rubber plantations of small plantation owners, and appropriate houses and land for people to apply for them.
- c. Urge the government to protect free enterprises in fair domestic competition and protect the democratic economic system of free investment.

4. Cultural Resolutions

- a. Urge the government to order local officials not to limit the use of languages.
- b. Request the Ministry of Information to increase the number of Chinese language television programs, including Chinese language weather reports, and to add Chinese language announcements at all airports in this state.

5. Other Resolutions

- a. Urge the government to bestow quickly the rights of citizenship upon all residents holding red certificates who have lived in this state for 20 years, and simplify the application procedure to strengthen the citizen's sense of homeland so that they may demonstrate their patriotism.

The conference also passed a resolution thanking the Selangor Fujian Association for sponsoring this conference and at the same time to thank the Chinese Independent High School for making available its auditorium for the conference.

The conference also decided to hold the first delegates conference of the 12th congress at Kuantan to coordinate with the 60th anniversary of related subsidiary associations. The date of the next conference will be discussed separately by the federation and subsidiary associations.

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LIN JIXIANG CITES RACIAL POLARIZATION AS 'GREATEST PROBLEM'

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 19 Jul 81 p 12

[Article: "Lin Jixiang [2651 0679 4382] Believes That During the 1980's in Our Nation, Racial Polarization Is the Greatest Problem, If It Is Not Stopped, All Efforts of Founding the Nation Will Have Been Wasted"]

[Text] Leader of the opposition party of the Parliament, secretary general of the Democratic Action Party [DAP] and parliamentary delegate from Petaling, Lin Jixiang [2651 0679 4382], said in his speech "Urban Politics in Malaysia" at last night's meeting of the Malaysian Economic Council at the University of Malaysia that racial polarization is the greatest problem for Malaysia in the 1980's.

He said, this week, Prime Minister Datuk Hussein Onn has retired and Dr Mahathir Mohamed has succeeded him and become our nation's fourth prime minister. Bestowing the title of "tun" upon Datuk Hussein Onn is very appropriate, it can be said that he deserves the title, and this title also suits him.

He believes, the greatest problem facing Malaysia in the 1980's is racial polarization, if this is not stopped, then the efforts of the nation will be wasted.

Lin said yesterday he paid Dr Mahathir a courtesy visit, he congratulated him on his succession to the prime ministership, and he also took the opportunity to express concern about racial polarization in our nation.

"Racial polarization is most visible in urban regions, because there is direct face to face competition in many fields, such as educational opportunities, jobs and other common resources, it seems that all are being measured according to racial criteria.

"The founding of Malaysia as a nation may be the world's most complex task and it is not possible to achieve this within a short time. But we must weaken family ties and strengthen the concept of national unity of every race of our country.

"To promote a national concept, each racial society must walk away from their own world and establish a common Malaysia.

"Otherwise, racial polarization will become more serious, each racial society will unite within its own race, more like a member.

"I hope the new prime minister, Dr Mahathir and the deputy prime minister, Dato Musa Hitam, can pay special attention to the serious concerns of racial polarization because it affects the life of each sector of the nation, such as the economy, education, society, culture and even politics.

"Every Malaysian, regardless of race, hopes Malaysia will succeed, and a test of the political leaders is to see whether they are capable of promoting friendly relationships among the races in order to establish a united, peaceful, progressive and prosperous Malaysia, and they should not allow the races in Malaysia to segregate.

"As long as racial polarization still does not slow down, as long as racial and family ties are stronger than the ties among Malaysians, political consciousness and development will be misinterpreted because:

1. It will propagate the saying that the gain of one segment of society will necessarily sacrifice another segment, leading to the radicalism of Su Haimi [5685 3189 4717] aimed at controlling the economic development of non-Malays.
2. It will prevent the development of benefits for each social stratum, such as the poor and homeless, [and those suffering] social and economic exploitation, without differentiating among the races.
3. It will lessen the importance of an honest and upright public life, and even that of maintaining a democratic system and a free society.

When talking about the future of the Democratic Action Party, he said, there is no doubt that the incidents that happened several months ago were the most serious attempt to destroy the Democratic Action Party during the 15 years of struggle of the DAP. There were attempts to destroy the reputation and the image of the party from within and there were also external movements to bribe the federal and state parliamentary members of the DAP.

"Money politics will become a new political phenomenon in major elections in the cities, money is not only being used, a lot of money will be used.

"Last week, Dr Lim Chong Eu [2651 2417 4135], leader of the United Democratic Party [UDP], said the Malaysian Chinese Association [MCA] gave 50,000 yuan to the chairman of a branch of the UDP asking him to defect MCA. From this it can be seen that the price of bribing a state delegate or a parliamentary delegate may be from 300,000 to 500,000 yuan. Now, the price may have risen like the stock market, the prices vary according to the times.

"I believe the DAP can stand on its own feet, because regardless of what the inner party affairs are, the party has courageously advanced toward political goals during its 15 years of existence, and in the final analysis, we must rely on the whole record of the party and not just look at the action of the opportunists.

"I do not want to predict that the DAP will realize good achievements in the coming annual congress, but it may be the greatest challenge faced by it since its inception, it not only affects us greatly, at the same time, it also affects the political future of our nation."

LIN JIXIANG ACCUSED OF IMPEDING ECONOMIC PROGRESS OF ETHNIC CHINESE

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 3 Jul 81 p 7

[Article: "Malaysianization Group Accuses Lin Jixiang [2651 0679 4382] of Being Jealous of Scholarship Loans by Large Enterprises and of Striking at the Economic Development of the Chinese"]

[Text] The Malaysianization group has issued a statement accusing the secretary general of the Democratic Action Party [DAP], Lin Jixiang, [2651 0679 4382] of using legal and illegal means to strike at the economic development of the Chinese and not wanting Chinese descendents to have the opportunity to enter the university for advanced studies because of his jealousy of the university scholarship loan plan of the large enterprises of the Malaysian Chinese Association [MCA].

The statement pointed out: "The MCA which has always avoided empty talk and which has always emphasized the practical, has finally drawn up a series of practical plans after study and restudy to assure the future of the nation and the nationality. The goal is to solidify and promote the economic position of the Chinese, to assure that the descendents of the Chinese will be of superior caliber so that they will not become "half witted" talent someday. These plans include the concentration of manpower, financial strength, skills and experience to enter modern big enterprises and to push forward the plan of scholastic loans for university students to help poor students attend the university for advanced studies.... Since the time these plans were enthusiastically implemented throughout the nation, they have received more and more support from compatriots at every social stratum. Facts are more convincing than argument, up to now, there are at least 100 Chinese social organizations that support the call of the MCA and have established enterprises or holding companies. The support given to the university scholarship loan plan promoted by the Malaysianization Independent Cooperative is also becoming wider and wider.

"Lin Jixiang obviously saw the situation and became extremely jealous. To rescue the situation from a sure demise and solicit a few more votes, he has taken all kinds of steps to join Su Haimi [5685 3189 4717], one sings and the other harmonizes, striking at and destroying the development of enterprises run by Chinese and the plans to train Chinese descendents. Su Haimi advocated at the conference of the UMNO (United Malays National Organization) Youth Section the limiting of the development of the economy of the Chinese population and prohibiting Chinese from purchasing stocks in foreign companies. Following this, Lin Jixiang expressed his crooked theories in the newspapers discouraging the university scholarship

loan plan promoted by the Malaysianization Independent Cooperative and sabotaging its smooth implementation. Both of them sing and harmonize together as if they had a mutual understanding. But, those with bright eyes will be able to see that Su Haimi does not want the economy of the Chinese population to continue to develop. Lin Jixiang does not want Chinese descendants to have the opportunity to enter the university for advanced study.

He said, "implementation of the university scholarship loan plan will lead to a loss of opportunities of university education for Chinese descendants," his "reason" being: "that after this plan is implemented, it will lead the government to believe that Chinese descendants will have the ability to afford university education, and correspondingly will reduce the rate of increase in the quotas for admission." We want to ask Lin Jixiang to consult his own conscience, we also want to remind him that although he is hiding under the banner of "Malaysia for Malaysians," the blood in his body is still that of a Chinese.

Lin Jixiang also said, the university scholarship loan plan is only a "temporary solution," it cannot become a "permanent cure." We want to ask him: What would be a "permanent cure"? If a "permanent cure" cannot be immediately found, or even if there is a "permanent cure" but it cannot produce results within a short period, should we then abandon even the "temporary solution"? Will our descendants lose the opportunity to receive higher education forever?

Lin Jixiang wants only a "permanent solution" and does not want a "temporary solution," this means, he is willing to watch the years go by as thousands and ten thousands of outstanding Chinese descendants lose the opportunity to enter the university for advanced studies because of economic conditions. We want to ask: Where is his national conscience? Is he a so-called "national hero" or a "national culprit," Mr Lin, please answer this question! The tens of thousands of compatriots at each social stratum who have already participated in the university scholarship loan plan and the broad Chinese population all want to know your answer.

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CSO: 4205/17

BUILDUP OF DEFENSE TECHNOLOGY URGED

Karachi DAWN in English 30 Nov 81 p 7

[Editorial: "Defence Technology"]

[Text] Quite inexplicably, an apologetic note sometimes creeps into Pakistani officials' explanations for acquiring new armaments or setting up new defence facilities. This is obviously an unnecessary politeness, whatever the countries not too well-disposed towards Pakistan may feel. The most important deterrent Pakistan has to a war thrust being upon it, short of having its frontiers guaranteed by the big powers, is the acquisition of armaments and the buildup of defence technology to a level where the armed forces are not only more effective but also more self-sufficient. No one will deny that at the moment the country is far more vulnerable than it would like to be. The present heavy dependence on imports cannot be viewed with equanimity. It is perhaps an indication of the times we live in that the first-ever seminar on defence technology opened this week. The Chairman of the Joint Chiefs of Staff Committee stressed in his inaugural speech that self-sufficiency in defence production must be achieved, and he broke new ground in emphasising that the private sector should also be associated in defence production industry on a large scale.

Achieving self-sufficiency in defence production in a comprehensive sense is, of course, a tall order, given the country's industrial backwardness. What is achievable, and certainly desirable, is local production of the less sophisticated equipment which it is apparent can be produced within the country without unduly straining human or financial resources, provided this element is studiously built into the nation's industrial programming. This becomes even more practicable when the possibility exists of cooperation with other countries--Turkey, for instance. Apart from progressive manufacture of armaments, another important necessity is that for servicing or 'rebuild' facilities for sophisticated equipment. Pakistan already has such facilities on a fairly large scale but, because of the very high cost of such services provided by the manufacturers, they should be expanded. Here again there is the possibility of cooperation with other countries. If Pakistan can provide such facilities to other nations--which it should be able to do at less cost than the manufacturers charge--then it will not only build up goodwill but also generate some much-needed revenue.

NATION'S ATTITUDE TOWARD U.S. PRIVATE INVESTMENT CLARIFIED

Karachi BUSINESS RECORDER in English 23 Nov 81 p 2

[Editorial: "Not the Same Mistake Again"]

[Text]

They came, they talked and they went back. That is how the entire visit of the American businessmen to Pakistan can be summed up. But the way the publicity was handled and the press coverage was allowed gave an impression as if the visitors went head over heels to help us in overcoming our present difficulties. Such an impression would be beneficial neither to the country nor to the regime. It is neither good publicity nor good economics. During their week-long stay, the American businessmen exchanged views with the high officials, including a call on the Head of the State, and with their counterparts in Pakistan. And what came out of it, is known to all. They talked and talked and finally some of them even gave the verdict that most of the people in USA were not even aware about the existence of Pakistan, whereas the media in the country kept on projecting that the visitors have evinced interest in a number

o projects. Investments in a joint banking company or in life insurance which would involve a major amendment in our law, as we have already pointed out, are no investment in the real sense. They showed interest in sheep breeding, poultry farming or fishing industries, but these are not the fields where we need any assistance from the investors of the leading industrial nation of the world. It is in the capital intensive fields which involved highly sophisticated technology that we need assistance from the developed countries. This country has given liberal concessions to the foreign investors. As entrepreneurs they should take advantage of the favourable conditions existing in the country. We know that investment is not charity. It is neither philanthropy. An entrepreneur invests to get substantial return out of the money he is putting in. His object is to have the most for the least. If they think that they can get

the most for the least, they come forward and invest. If not, they keep aloof. If the American visitors thought that what this country was offering was insufficient, they should have made suggestions and should have given us a chance to see whether their suggestions were acceptable or not. Instead, in most of the places their behaviour was, we regret to say, simply deplorably disappointing.

There might be some apprehensions in the minds of the visiting American investors. Like many others in foreign countries, they might have been the victims of the hostile propaganda carried out by the western media about the policy of Islamisation being pursued in this country. They would have been justified if they had asked for full information about the shape of things in an Islamic economic order. As members of the US-Pakistan Economic Council, it was their duty to gather all facts and

taining harmonious inter-communal relationship and promotion of balanced social and economic order. Various agricultural strategies that have been adopted from time to time for raising indigenous production lacked profoundness. The priorities fixed favoured some commodities while others got neglected. Various incentives granted and facilities provided in the form of support and procurement prices, subsidization of critical inputs, supply of high yielding seeds and advance credit facilities helped to boost the production of commodities like wheat, cotton, rice and sugarcane. But no attention was paid to the declining production of pulses. It is only now that some interest is being shown for bringing more acreage under gram, Mutter and Masoor during the rabi season.

Among pulses gram occupies the pride of place. It is put to varied uses. It is used not only as an item of human diet but also as feed for animals. The reason for the shortage of pulses are

not far to seek. Firstly, for the last two years the gram crop was destroyed by pests. Secondly, when the prices of items of meat group, vegetable group and other eatables started going up and up the demand pressure was diverted towards pulses which were already short of the existing demand. It is obvious that this group could not absorb the increased demand.

It is known that agricultural production cannot rapidly increase in a year or two. For raising production of pulses to the level of demand long-term planning is necessary. Not only that all the incentives and facilities that are given for the production of cash crops should be made available to this sector but also attention be given to the special problems faced by this sector. For formulating a long-term action plan a lot of research work is needed because authentic data is not available and it has to be found out what peculiar factors have been responsible for steady decline in the production of pulses.

U.S. INVESTMENTS SHOULD 'AIM AT INCREASING PRODUCTION'

Karachi DAWN in English 26 Nov 81 p 9

[Editorial: "US Private Investment"]

[Text]

THE just concluded visit of the Pakistan-US Economic Council delegation was part of a drive to attract foreign investment in the private sector. The visitors were able to familiarise themselves with the overall economic situation and the scope for foreign private investment. The Government has taken a number of measures to enable the private sector to play a vigorous role in the economy. To a large extent, these measures have restored the investors' confidence. The total investment approved during 1977-81 was 3,082 million dollars, averaging 770 million dollars per annum, as compared to 140 million dollars in 1976-77. The Government is inviting foreign private investment on a big scale to augment the supply of capital. A wide range of incentives and effective safeguards have been offered to foreign investors. They include repatriation of investment, including capital gains, current profits, remittance facilities for expatriate employees and legal protection to foreign investment. The

"Protection of Rights in Industrial Property Order 1979" bars arbitrary industrial take-overs such as took place under the Economic Reforms Order, 1972. Furthermore, the Government has thrown open a large number of industries previously reserved for the public sector. The prospective American investment is further protected by the Investment Guarantee Agreement between the USA and Pakistan precluding expropriation or other losses. During the Second Five-year Plan period, (1960-65), private US investment in Pakistan was 25 per cent of the total sanctioned foreign investment. This rose to 80 per cent during the Third Plan period (1965-70), with the US taking first position among 30 countries which invested in Pakistan.

The Pakistan-US Economic Council delegation appears to have been impressed by the improved investment climate and the opportunities that exist for setting up profitable ventures here. The Federal Industries Minister has also ex-

pressed optimism on this score, stating that 100 projects have been identified for US investment. There is an indication that a joint US-Pakistan investment bank may be set up to facilitate capital flow. Agreement in principle has reportedly been reached for a poultry project and a sheep-breeding and marketing enterprise. There is also talk about the possibility of a life insurance company being set up by US investors. The inflow of US private capital had already started even before the Pakistan-US Economic Council delegation arrived here. According to official statistics, the sanction of US private investment in Pakistan amounted to 238.5 million dollars during the 15 months from July 1980. These are encouraging trends. Mutual efforts are however, necessary to ensure that such investments are judiciously channelled and prove

helpful to the economy. Since these investments will be repatriable or in the form of credit, care must be taken against misdirected placement. All foreign investment must basically be aimed at increasing genuine production capacity, developing basic industries, ensuring transfer of technology and establishing capital-intensive industries. They should be oriented towards the Fifth Plan objectives which accord high priority to capital goods industry. The second priority is for industries based on local raw materials and for mineral and agro-industries. As far as possible, these industries should be export-oriented, so that they make some contribution towards improving the balance of payments position. As a matter of principle, consumer goods industries should be kept outside the domain of foreign investment.

ZIA: GOVERNMENT TO ENCOURAGE PRIVATE SECTOR

Karachi DAWN in English 29 Nov 81 pp 1, 10

[Article by Hasan Akhtar]

[Text] ISLAMABAD, Nov. 28: President Mohammad Zia-ul-Haq today called upon the private sector to play its due role in developing the country's economy according to Islamic principles, giving a categorical assurance that his Government would neither allow political conditions to be disturbed by elections nor would it nationalise any of the private enterprises. He said, indeed, there would be more opportunities available to the private entrepreneurs by restricting the public sector to bare essential spheres.

Gen. Zia-ul-Haq, who was addressing the concluding session of the five-day symposium on economic performance of public enterprises, however, laid emphasis on improving the economic efficiency and productivity of the public sector, and announced setting up of a three-member Ministerial Committee to ensure implementation of the recommendations of the symposium, jointly sponsored by the United Nations and Pakistan Government (Cabinet Division), to bring about an overall improvement in public sector industries.

The President said the public sector versus the private sector controversy should cease because his military Government was committed to promote Islamic system of economy which protected free

enterprise and competition. He said he liked the entrepreneurs spirit which he was determined to collect on behalf of the Almighty and said Government takes every initiative (investors) had nothing to fear.

He, however, declared that greater patronage to the private sector would not be permitted to make the rich richer and the poor poorer. He also underlined the importance of the public sector in the interest of social and economic requirements, but that should not discourage private enterprises which would have full and fair play under his Government, he added.

The President lashed out at bureaucracy for its tendency to place obstacles in the way. The civil servants, he said, tended to regard everything in shade of blue and blue only. Even Zia-ul-Haq himself, he said, was a blue before him. He said a loud whisper from about 400 people assembled at the closing session of the symposium.

So far, the military and the civil services had been the principal forces in the country, he said, and added that the military had its own training and methodology to deal with problems. But now it was time that the third force of business community was allowed to emerge and play its part as it had some 15 years ago, he further said.

The President said he considered it of prime importance that the economic performance of public enterprises should be correctly and carefully evaluated as was

stated in the tentative recommendations presented at this evening's session. He agreed with guest speakers that objectives of each private enterprise should be clearly defined, its management should have greater autonomy in running its affairs and the management should be accountable for its performance.

But, at the same time, he said, while evaluating the public sector performance, the fact that it had contributed to social welfare of the people should not be overlooked.

The President expressed his dissatisfaction at the way the public sector had dealt with its labour. He asked the public sector managements to appreciate that the labour had not created any serious problems for them and they should, therefore, do a good deal more for the welfare of the labour.

Gen. Zia-ul-Haq strongly advocated the need to organise programmes for training manpower at the establishment. He said he would consider a legislation which would make it necessary for enterprises to run training institutions for training manpower not only for domestic needs but for providing the necessary skilled personnel in friendly countries where they were in demand. The President also emphasised the importance of planning research and development programmes at industrial establishments.

LARGE PUBLIC SECTOR

APP adds: President Zia said Pakistan had a large public sector, which included such organisations as Pakistan PIA, the National Shipping Corporation, the nationalised banks, to name a few. He said the Government had allowed competition

with NSC by the Islamic Steamship Company, but to create organisations to compete with PIA and the Railways was not necessary. He said the country had got to see whether the performance of the public sector enterprises was good.

He said the transport in the public sector was operating at a loss, in spite of the Government's permission to the private sector to come into this field, private businessmen were not forthcoming.

FOREIGN INVESTORS

President Zia said the private sector had to come forward and play its role in all spheres. He said private investors from abroad were showing a good deal of interest and confidence in Pakistani economy and were planning to invest. He said when a group of US investors recently met him, he had assured them that time to have political stability, and there would be no nationalisation of the units they might set up here. He said he had also informed them that the policy of the Government was to patronise the private sector, and even denationalise some of the public sector units. These assurances he said, had warmed up the US investors, and 22 of them got ready to put in their money in various types of units and projects. "It is a happy augury", he added.

Referring to a proposal by Dr Mahboobul Haq, Director, Policy Planning, World Bank, who spoke earlier during the concluding session, the President said the Government would undertake as much decentralisation of decision-making in the public enterprises as possible. He said there were dozens of "horrible stories and tales of bureaucratic controls which exist today between our

agencies and corporations (on the one hand) and the ministries" on the other.

Mr. Ghulam Ishaq Khan, Minister for Finance, addressing the session earlier, said that in the last four years the Government had taken a number of measures to establish a good relationship between the public and the private sectors. He said "the private sector and the public enterprise are only two of the instruments of public policy and the aim of that policy is rapid economic growth with equitable distribution within the framework of an Islamic social order."

He said: "We should be prepared to adopt that blend of public and private sector which realises our development goals at a faster pace and spreads the benefits of progress more equitably according to the Islamic principles of justice and equity."

Mr. Ishaq said there was thus virtually no limit on the role which the private sector could play in the all important task of building the economy. Indeed, considering the financial and managerial constraints of the public sector, the private sector would receive a preferential treatment provided it was willing to come forward with the right spirit of combining its natural and justified instinct for commercial profit with a socially responsible, forward-looking attitude in the overall national interest.

RECEPTION

President Zia hosted a reception here this evening in honour of the delegates to the international symposium on economic performance of the public sector enterprises.

The President mixed freely with the delegates in the reception which was held in the Aitwan-i-Sadar and lasted an hour.

JUDGMENT ANNOUNCED IN HARS MURDER CASE

Karachi DAWN in English 19 Nov 81 pp 1, 6

[Text] **HYDERABAD, Nov 18:** The Sessions Judge, Sukkur, and ex-Officio Additional Sessions Judge, Hyderabad, Mr Qadeer Mohammad Qureshi today announced the judgment in the famous Hurs murder case and sentenced nine accused persons to death. They are Chaudhry Yakub, Muhammad, Abdul Ghafoor, Aslam son of Ismail, Noor Mohammad, Muhammad Munir, Ghulam Shabbir Kalyar, Imdadullah Umar, and Qasim. The death sentence for Ghulam Shabbir Kalyar, former DIG Police, and Imdadullah Umar, former Deputy Commissioner, was announced in absentia under Section 377 Cr. P.C. The Sessions Judge, however, ordered that the sentence against these two convicts will be enforced after their arrest and production before the court.

Accused Mir Mohammad Lashari was sentenced to two years R.I. under Section 218 PPC. The Court was also pleased to acquit three accused namely Shah Nawaz Junejo, Muhammad Hussain Junejo and Dr. Afzal Arain.

APP adds: Those awarded death sentence besides Umar and Kalyar are Chaudhry Mohammad Yakub former S.H.O. Sanghar, Abdul Ghafoor, Head Constable and Constables Mohammad Munir, Noor Mohammad, Ghulam Kasim, Aslam s/o, Mohammad Ismail and Shah Mohammad.

Each of the nine convicts are to be hanged by neck "till they are dead", the judgment added.

However, the said sentence shall be executed after confirmation by the High Court under Section 374 Cr.P.C.

The nine convicts have been allowed seven days time to appeal before the High Court.

In his judgment, the honourable Judge said I find accused Yakub, Shah Mohammad, Abdul Ghafoor, Aslam s/o Ismail Noor

Mohammad and Mohammad Munir guilty for offence under Section 302 and 34 P.P.C. and accused Ghulam Shabbir and Imdadullah Umar and Ghulam Kasim guilty for an offence under Sections 302 and 109 P.P.C. and convicted them under Section 302 (H) (2) Cr.P.C. and they are sentenced to death.

Mr Qadeer Muhammad M. Qureshi has said that accused Chaudhry Mohammad Yakub has further been found guilty under Section 301 P.P.C. and has therefore been sentenced to suffer three year R.I. and to pay fine of Rs. 1,000, or in default to undergo further R.I. for three months.

He has further ordered under Sections 304 and 109 P.P.C. Section 344 (A) Cr.P.C. that accused Imdadullah Umar and Ghulam Shabbir Kalyar shall pay Rs. 10,000 each as compensation or in default to undergo two years R.I. Accused Chaudhry Yakub and Shah Mohammad shall pay Rs. 5,000 or in default to suffer one year R.I. each as compensation, while accused Abdul Ghafoor, Aslam s/o Ismail, Noor Mohammad and Munir shall pay Rs. 2,000 each as compensation or in default to undergo six months R.I.

The amount of compensation, if recovered, shall be paid to the heirs of the six deceased persons, the judgement added.

Accused Imdadullah Umar and Ghulam Shabbir Kalyar are absent since the stage of arguments and it is held that judgement can be announced against them under Section 377 Cr.P.C. and so aforesaid conviction and sentence as well as compensation is ordered against them. But the sentence against them would be enforced after their arrest and production before this court, or Sessions Judge Hyderabad, or after they are surrendered in either of the courts.

The judgement added that offence under Section 218 PPC is not proved against the accused Dr. Mohammad Afzal Arain, and offence under Sections 302 and 109 PPC is not proved against Shah Nawaz Junejo and Mohammad Hussain Junejo and they are acquitted under Section 253 (H) (1) Cr.P.C. They are on bail. They stand discharged of their bail bonds and are set at liberty.

The offence of conspiracy under Section 120-B P.P.C. and of abduction under Sections 384 and 109 P.P.C. are not proved against any accused, the judgement added.

The case, State v/s Ghulam Shabbir Kalyar and twelve others was filed under Sections 302, 301, 304, 471, and 120-B P.P.C. whose hearing started at Karachi, in the same court, in July 1978.

Mr Mohammad Aslam was an approver in the case.

Except convicts Kalyar and Umar, all the remaining convicts were present in the court today.

Later in the evening, the convicts were shifted to the Central Jail.

The judgment into the six Hurs murder case stretches over 130 pages.

The murder of six Hurs took place at Kamran Mori, seven miles from Sanghar, on the night between October 6 and 7 1973.

The same was however shown as an encounter of police with abductees, by the previous regime. The deceased who were disciples of Pir Sahib Pagaro were: Mehrab, Umed Ali, Jan Mohammad, Hamza, Ali Sher and Dadan alias Allahdad Wadho. Mr. Mohammad Yakub Sanjrani was the complainant into the six Hurs case. He had written an application to the then I.O. Police Sind, on October 11, 1973, three days after the Kamran Mori incident. The complainant was the immediate

cousin of the deceased Mehrab and Umed Ali.

After the imposition of Martial Law in July 1977, on fresh appeals made by the relatives of the deceased Hurs, the P.I.A. held a thorough investigation into the case. From this inquiry, it came to light that prima facie it was not the suggested encounter of police with abductees, but something of the nature of cold-blooded murder.

Statements of the accused and witnesses were thereafter made before a First Class Magistrate, Mr. Shamsuddin, after October 11, 1977.

The hearing into the Hurs' case started in the court of Mr. Qadeer Mohammad M. Qureshi at Karachi in July 1978.

Evidence of 108 witnesses were recorded during the hearing out of which 13 were examined by the Special Public Prosecutor. The case had 500 exhibits documents. Three month long cross examination of the Approver Mohammad Aslam was done by the eight defence counsels, which was recorded on 130 fullsize pages.

The defence counsel panel included, Agha Abdul Rasool, Mr. Allahdino Memon, Mr. Abdul Sai-

tar Shaikh, Mr. Aftab Ahmed Akhund and Mr. Abdul Wahab.

Mr. Arimullah Shaikh, Special Public Prosecutor was assisted by Mr. Amiruddin Qureshi, advocate.

CHARGE SHEET

The names of former Prime Minister late Z.A. Bhutto and ex-Sind Governor Mumtaz Ali Bhutto were included in the Column No. 6 of the charge-sheet in the six Hurs murder case, judgement in which was pronounced here today.

Also shown in the Column No. 7 was the late Abdul Rahim Raisani former I.O. Prisons (Sind).

The six murdered Hurs were fasting on the day when they were taken into police custody from the courtyard of the convicted D.C. Sanghar, and later killed at Kanneh Mori, on Oct. 6 1972.

They were devoted Muslims, according to relatives of the six Hurs.

On the other hand, the P.I.A. sources told APP that it was the first of Rakhsan when the accused and now convict Ghulam Shabbir Kalyar was taken into police custody for interrogation in connection with the Hurs' murder case, in the year 1977.

AIR TALKS WITH MALAYSIA END IN DEADLOCK

Karachi DAWN in English 21 Nov 81 p 10

[Text]

KUALA LUMPUR, Nov 20: Pakistan and Malaysia ended their air services discussions here on Wednesday in deadlock as both sides disagreed on the extension of flights for their respective airlines, informed sources said.

The meeting was to revise an air services agreement signed between the two countries in 1973. Two earlier meetings were held earlier, this year in Karachi and the Malaysian capital.

Pakistan had requested that its Pakistan International Airlines (PIA) be allowed to extend its present flights into Kuala Lumpur, Singapore, Jakarta and Sydney, the sources said. PIA presently has two flights to and from Kuala Lumpur.

Malaysia, on its part, had asked that the Malaysian Airlines System (MAS), be allowed to fly to Karachi and beyond to Dubai and the West European points.

the sources said. MAS has no flights into Karachi on the ground that it was unprofitable.

Pakistan was not prepared to meet Malaysia's request without some commercial arrangement but Malaysian officials argued that Pakistan had been operating in to Kuala Lumpur without any commercial arrangement, the source said.

Pakistan also insisted that it would only give MAS the rights if and when PIA is granted the rights by authorities in Jakarta, Singapore and Sydney to pick up passengers from Kuala Lumpur for their routes, the sources said.

The Pakistan team was led by Joint Secretary of the Aviation Division of the Defence Ministry. Altafuddin Ahmad, while Bhupinder Singh, Deputy Secretary-General of the Transport Ministry, headed the Malaysian side.—Reuters.

CSO: 4220/112

PRC DELEGATION VISITS AFGHAN REFUGEE CAMPS

Karachi BUSINESS RECORDER in English 22 Nov 81 p 3

[Text]

PESHAWAR, Nov 21: The visiting press delegation of the Chinese had a better understanding of the refugee problem, now. He appreciated that Pakistan was bearing this responsibility and-making sacrifices for the Afghan refugees. Hailing said that the stand of Pakistan on the Afghan issue was respected by the Chinese people.—APP.

Addressing the refugees, who had gathered to greet the delegation, at the camp Miao Hailing sympathised with them on behalf of the people and government of China and lauded their heroic struggle against foreign intrusion.

He declared amidst chants of Allah-o-Akbar that the Afghans were an invincible people and would never surrender to any foreign force. They were bound to be victorious in their just struggle as truth would ultimately triumph, he said, adding "We salute the heroic Afghan people for their courage and determination for freedom".

Miao Hailing assured the Afghan refugees that they were not isolated. The people of Pakistan, China and the whole world were on their side. "What they are doing now is not only for Afghanistan but also for the entire south Asia and the whole world", he remarked.

He said that the people of Afghanistan, Pakistan and China were members of one family and shared each others happiness and sorrows. "We believe they will all march together on hand in hand", he said.

Extending sincere greetings to the Afghan people on behalf of the people of China, Hailing assured his audience that the Chinese people were familiar with the situation being faced by the Afghan brethren.

He also appreciated the warmth with which the people of Pakistan had welcomed the Afghan refugees, and said that the whole world respected Pakistan's assistance to the uprooted Afghan people.

Miao Hailing and members of his delegation went round the camp meeting its inmates and inquiring about their problems and plight. They also visited two tents to acquaint themselves with the living conditions.

They also visited a dispensary set up by Saudi Arabia and talked to the doctors, inquiring about the treatment, being given to the camp inmates.

ATROCITIES

Earlier, an Afghan refugee elder informed the Chinese press delegation, of the developments, which forced them to abandon their hearths and homes. He said that the innocent and defenceless people of Afghanistan were being subjected to severe atrocities, by the Soviet troops.

He reiterated the determination of the Afghan people to continue their struggle for freedom and emancipation.

Before visiting the camp, the Afghan refugee commissioner, Mohammed Abdulah Khan, briefed the Chinese delegation about the Afghan refugee problem, with particular reference to administrative structure for relief and the mode of its distribution amongst the Afghan refugees.

He revealed that 50 per cent of the total relief expenditure provided to the refugees, was being borne by the Pakistan Government from its resources, in the form of cash allowance.

The commissioner also briefed them about the facilities being provided to the refugees in the fields of education, health, drinking water, self-reliance-cum-income generating projects etc.

Referring to the response of the people of the NWFP towards their uprooted Afghan brethren, Abdulah said that they had taken them as their basic moral responsibility and an ideological and human problem. This, he said, was the main source of inspiration for the administration to handle such a gigantic task of looking after about two million refugees, which was the biggest refugee theatre throughout the world today.

In his brief remarks on the occasion, Miao Hailing said that he

OFFER RENEWED TO USSR ENVOY TO VISIT REFUGEE CAMPS

Karachi BUSINESS RECORDER in English 22 Nov 81 p 3

[Excerpt]

ISLAMABAD, Nov. 24: President Gen. Mohammad Zia-ul-Haq has renewed offer to the Soviet Ambassador to visit the Afghan refugee tentage camps in Pakistan to ascertain whether they are genuine refugees or Mujahideen as is alleged by Kabul and Moscow.

The President was asked today by newsmen to comment on the recent attacks by Afghan gunship helicopters on the Pakistan border areas and the reported claim of the Soviet Ambassador that there were only two per cent refugees among the Afghans who had sought shelter in Pakistan, after he had opened an international symposium on economic performance of public enterprises at the National Assembly Building.

The President described the gunship's attacks and air and border violations by Afghan Armed Forces as something of great significance. He said they were possibly aimed at creating an impression that they were attacking Mujahideens' concentrations and not Afghan refugee camps on the borders. Everyone, including the Soviet Ambassador, had his standing offer to visit the tentage villages of Afghan refugees to satisfy himself about the bona fides of camp residents, the president said.

CSO: 4220/116

ATTEMPT TO BRING BALUCHISTAN TO PAR WITH OTHER AREAS REPORTED

Karachi BUSINESS RECORDER in English 26 Nov 81 p 3

[Text]

QUETTA, Nov. 25: The two-day session of Baluchistan provincial council ended here this afternoon. The provincial Governor Lt-Gen. Rahimuddin Khan who is also Council Chairman presided.

Addressing the concluding session, the Governor said that the overall development strategy of the province is to bring Baluchistan at par with other advanced areas of the country in the shortest possible time. He said for this purpose the projects of basic nature are being completed on priority basis. Provision of electricity, supply of drinking water, irrigation and communication sectors have been given special attention.

He said the performance of local bodies institutions during the past two years has been by and large satisfactory. However, a committee is being formed to examine the working of the project committee already set up in the province to accelerate the pace of development, the new committees will suggest ways and means to further improve the working of project committees.

The Governor directed the project committees to ensure implementation of community development projects at the earliest possible time. He said local bodies institutions have been given adequate powers to implement development projects under their

jurisdiction. These powers are being increased gradually. The councillors should select and implement projects of collective good.

He advised the councillors to prepare realistic and manageable development programme for the next financial year.

The Governor said to make the local bodies institutions more effective and representative in character, special seats have been created for women at various tiers to associate them with development work.

Referring to the process of Islamisation the Governor said the government has taken concrete steps to achieve this objective.

About the situation across our borders he said, the government and the armed forces are fully prepared to safeguard the geographical and ideological frontiers of the country. He said the defence of geographical and ideological boundaries of Pakistan is the duty of the entire nation and people of Baluchistan would not lag behind in the performance this national task.

Earlier, the council was briefed on the pace of progress for development work in the province by the provincial secretary for planning Atta Mohammad Jaffar.—PPL

DEVELOPMENT ALLOCATION DOUBLED FOR NORTHERN AREAS

Karachi DAWN in English 20 Nov 81 p 5

[Text]

GILGIT. Nov 19: The Federal Government has doubled the annual development allocation for the northern areas as against previous outlay of Rs 70 million.

This was stated by the Martial Law Administrator Zone 'E' Maj Gen. Imtiaz Waraich at a function to mark the formal inauguration of new building of Government High School at Astore in Diamer District. The building was completed at a cost of over one million rupees by the northern areas works organization and could cater to the education requirements of a population of 15000 with a provision for further expansion.

During the last four years a chain of educational institutions were opened and existing facilities were consolidated in this field.

Maj Gen. Imtiaz Waraich said

that the Government would see to it that staff and other requirements of these institutions were met. He said that the current financial year's programme includes setting up of 124 new primary schools, construction of new buildings for 122 primary schools to middle level and 14 middle schools to high school level.

Earlier, the Director of Education, Brig Abdul Malik, in his speech underlined the activities of the department and said despite resource constraint, they were able to provide people with educational facilities at their door step.—AFP

CSO: 4220/112

BLUEPRINT FOR NEXT FIVE-YEAR PLAN

Karachi MORNING NEWS in English 19 Nov 81 p 8

[Text]

ISLAMABAD, Nov. 18: The blue print for the next Five-Year Plan is being presently processed to take care of nation's growing development needs after the current Five-Year Plan ends in 1983.

This was stated by the Federal Finance Minister, Mr. Ghulam Ishaq Khan during his meeting with the Vice-President of the Canadian International Development Agency, Mr. Lewis Perin Bam here this afternoon.

The Finance Minister said that special attention was being paid to the development of comparatively less developed parts of the country. In this connection, he referred to the special development programme which had been prepared for Baluchistan.

Mr. Ghulam Ishaq Khan said that the government was also according high priority to the exploration of oil and gas potential and exploitation of

mineral deposits in the country. This was essential not only to maintain but also to accelerate pace of progress he observed. He said the Government believed in optimally mobilising domestic resources for meeting requirements of socio-economic growth. He pointed out that in the span of last four years the public revenues had doubled and efforts were continuing to further improve their collection.

The Vice President of the Canadian International Development Agency informed the Finance Minister that the CIDA was presently reviewing its aid programmes in the light of its relations with the recipient countries with a view to improving the aid levels. He said that Canada planned to increase its official development aid for the developing countries to 0.3 per cent of its GDP by 1983 which would be further stepped up to 0.7 per cent by 1990.—AP

CSO: 4220/115

DISPLEASURE VOICED ON INTERNATIONAL LENDING AGENCIES

Islamabad THE MUSLIM in English 19 Nov 81 p 4

[Editorial: "The Lender Is Not Always Right"]

[Text]

INTERNATIONAL financial agencies lending money to Pakistan want higher prices all round, particularly for the basic items. Even if that is not exactly what they want directly, that will be the result of their pressures on Pakistan. The World Bank wants higher rates for water. The Asian Bank demands higher rates for electricity. The International Monetary Fund wants higher prices for petrol and other oil products. And now, it appears, the World Bank and the IMF want higher gas prices. The Government has accepted their demands in respect of water, POL and power one after another. And now, after resisting the pressure for increasing gas prices, even while accepting their pricing philosophy, the Government has set up a high-powered committee under Governor A.G.N. Kazi of the State Bank to review gas rates. What will be the result of the POL, power and gas prices going up? The cost of living will skyrocket. To remedy that, or to reduce the impact of such prices, salaries and wages all round will have to be increased steeply. How can that be done except through massive deficit financing by printing currency notes far in excess of the Rs. 5,444-million limit proposed for the current year, following last year's Rs. 4,366 million?

In Bangladesh, the International Monetary Fund has suspended its financial assistance on the pretext that that country is not giving up, or not reducing substantially, its deficit financing. The IMF is not, however, prescribing very rigid conditions for the record loan of 5.8 billion dollars it is giving to India. The contradictions in the IMF lending standards thus become transparent. What these international lending agencies want is a lot of rigmarole. Filtered water should be distributed at a price that leaves enough funds for repayment of World Bank loans. POL products should not be subsidised in any manner. Power rates should be such that the borrowing companies are able to repay the Asian Bank loans unfailingly. And now gas, which is an indigenous product, has to be priced higher, as if it were also an imported product. If gas, which now forms half the energy source in Pakistan, is made to cost a lot more, prices of all manufactured

items will go up appreciably, and possibly power rates will rise again. But while the World Bank or the IMF wants international prices for energy of any kind, imported or locally produced, would it recommend international wages in Pakistan instead of a per capita income which is only one-fortieth of that in the United States?

If the country is paying low rates for gas or water, it is paying far higher than international prices for all its imports because of the heavy import duties and sales tax, and very high prices for indigenous manufactures because of heavy excise, duties and sales tax. Today Pakistanis are paying about 150 per cent more than the international price for sugar. Higher, too, are the prices of cement and a variety of other items. Will the World Bank and the IMF suggest that the prices of all these items should be brought down so that when some items are raised to international level, the prices of others are brought down to that level? All this when the balance of payments support the IMF is giving is only 1.7 billion dollars spread over three years? So far Pakistan, like most other Asian States, was called a poor country and a low-cost market. But suddenly, it has become too good not to pay international prices both for imported and indigenous products. Does the World Bank and the IMF really want Pakistan to be engulfed by swirling inflation beyond all hope of redemption? These agencies feel free to make such demands on Pakistan because it has asked for rescheduling of the repayment of its debts more than once. But has it not been driven to do that by the incredible inflation in the West, and the resulting oil price hike? And now Pakistan, like other developing States, is hit hard by the recession in the West and the rough tariff walls rising there against its export products. Rescheduling hence became necessary.

The international agencies want Pakistan to open the floodgates of inflation despite the fact, that unlike in the West, wages here are not tied to inflation and there is no social security, either. How are the people to survive then, particularly the fixed income group that has been under agonising pressure for so long? Clearly, these international financial agencies and economic experts in the West who think like them have made a mess of their own economies. They have played havoc with the world monetary system, and their own system has come to grief. If it was the U.S. dollar that was taking a heavy beating until recently, it is the pound sterling, that is taking yet another pounding along with several other European currencies now. The advice of such experts and agencies should therefore be accepted or acted upon with great caution. All this emphasises the need for Pakistan to try to live within its means, and make the most productive use of the assistance it gets from friends. Waste has to be eliminated. The urgency for increasing self-reliance is greater today than ever before. Otherwise, for a little of external credit, Pakistan will have to listen to a lot of absurd counsel and suffer irrational pressures because the lenders think they are always right.

ALLOCATION FOR FARM LOANS, STORAGE IN PUNJAB NOTED

Karachi DAWN in English 26 Nov 81 p 3

[Text]

LAHORE, Nov 25: The Punjab Government has earmarked a sum of Rs 865 million during the current fiscal year for providing agricultural loans to the farmers and for the improvement of food storages and agriculture extension facilities in the Punjab.

According to the Punjab Planning and Development Board (PPDB) sources the amount of funds made available for the budget year 1981-82 in the agriculture sector to the various agencies in the province was being utilised satisfactorily.

At this time, the sources added, the amount was being spent with the consultation and assistance of the members of the local bodies. The latest set forth for the agriculture development programme for the first six months of the current fiscal year had already been

achieved, the source said.

Besides providing agricultural loans to the tune of about Rs 100 million, a sum of Rs 65 million will be spent on the construction and repairs of food storages.

An amount of Rs 47 million will be spent on the procurement and certification of agriculture seeds and a sum of Rs 202 million on the agriculture extension programme during the same period.

For carrying out research work programmes at various agriculture research centres in the province, an allocation of Rs 33 million has been made. Funds to the tune of Rs 250 million have been made available for the construction of

For the electrification of villages and farm households —

and farm tubewells in the province, an amount of Rs 150 million will be spent during the current fiscal year.

CSO: 4220/113

CODE OF ETHICS FOR PRESS READIED

Karachi MORNING NEWS in English 29 Nov 81 p 1

[Text]

The Federal Secretary for Information, Maj-Gen. Mujibur Rehman Khan, said yesterday that the code of ethics for the Press was ready but certain measures were required to be taken before enforcing it.

He was talking to newsmen after Pakistan Television's ceremony for best TV commercial awards competition, 1980-81 here.

He said gradually steps would be taken to enforce the code of ethics in place of the Press and Publications Ordinance.

He said the first step towards enforcement of the code would be lifting of censorship gradually, and secondly an implementation machinery for enforcing the code would be needed.

When asked about the self-censorship by some newspapers, he said an experiment was being made which was not wholly satisfactory.

Replying to another question he said deals had been made with some private parties for sending Pakistan Television's plays to other countries.

He said no political government took any step towards replacing Press and Publications Ordinance by a code of ethics but the present Government had made much progress in that direction. —PPI.

NEW CULTURAL PACT WITH PRC EXPECTED

Karachi MORNING NEWS in English 30 Nov 81 p 8

[Text] A new cultural agreement between Pakistan and People's Republic of China is expected to be signed sometime in March next. The existing two-year agreement expired this year.

This was disclosed by the Federal Minister for Culture, Sports and Tourism, Mr Arbab Niaz Mohammad, at a Press conference yesterday on his return here after a 12-day visit to China.

He said that a draft of the new agreement was given to him during his visit to China. Both sides, however, agreed in principle on its contents.

The new agreement will be signed during the visit of the Chinese Cultural Minister and his Vice-Minister to Pakistan in March next.

To a question, Arbab Niaz Mohammad said that the Committee on Promotion of Tourism constituted under the directive of President Mohammad Zia-ul-Haq after the tracking convention held at Islamabad, will have its second meeting on Dec 7.

The committee, which is headed by the Minister himself, has already met once after its formation.

The committee, he said, would identify the bottlenecks hampering the promotion of tourism in Pakistan and make recommendations for their removal.

The recommendations, he added, would be submitted to the President within 3 months for approval.

He said that our main emphasis would be on the development of domestic tourism.

He, however, observed that without the involvement of the private sector, the objective of development in domestic tourism could not be achieved effectively.

The Cultural Minister described his visit to China as both "successful and meaningful" from the cultural and other aspect. The visit took him to Peking, Shanghai, Hanchu, Sochu and Canton.

He said that with the opening of Karakoram Highway, Pakistani tourists would be able to visit China and vice-versa. However, foreigners would not be allowed to use this route.

He said that during the visit, his Chinese counterparts agreed on his suggestion for joint film production to be dubbed in Chinese and Urdu languages. The suggestion, however, will be further discussed during the visit of Chinese Cultural Minister to Pakistan.

He said that a Chinese cultural troupe was expected to visit Pakistan at the end of February or early March, while a Pakistani folk artists troupe would visit China next year.

To another question, Arbab Niaz Mohammad said that the Sports Complex being built in Islamabad with Chinese assistance would be completed by the end of 1982. Eighty percent work of the complex had already been completed, he added.--APP

CSO: 4220/115

GOVERNMENT EMPLOYEES TOLD TO WEAR NATIONAL DRESS

Karachi DAWN in English 21 Nov 81 p 4

[Text]

QUETTA, Nov. 20: Baluchistan Government has decided that all Government functionaries in the province would wear Pakistani dress at least four times a week with effect from Dec 1 while on remaining days they would have option of putting on national dress, Pakistani dress, Western clothes, trousers and bush-shirts or anything similar, preferably Kurta and Shalwar.

A circular issued yesterday in Quetta by Mr. S.R. Poonagar, Provincial Secretary, Services and General Administration Department, said that dress to be used by officials would include national official dress, once a week, and Pakistani dress with "as much formality as individual wishes to create" during remaining three days. Definition of national official dress, it may be pointed out, has already been amended to include waist-coat in addition to Sher-

wani.

Senior officials and officers, the circular said, were expected to encourage their staff by personal example, persuasion and inducement to patronise Pakistani dress. On all official functions everyone was expected to wear national or Pakistani dress after the first of next month, it added.

The circular has further stated that it should be ensured that Government officials and officers at the time of their induction were advised about the matter and were made to wear national and Pakistani dress during the time of their training and early period of their service.

President General Muhammad Zia-ul-Haq, it may be recalled, had directed that the use of Pakistani dress should be encouraged as dress played an important part in cultivating national spirit.

CSO: 4220/112

KEROSENE TO BE IMPORTED FOR REFUGEES

Islamabad THE MUSLIM in English 19 Nov 81 p 1

[Article by Sikander Hayat]

[Text]

ISLAMABAD, Nov. 18: Efforts are afoot to procure 60 million litres of kerosene costing Rs. 180 million from abroad for the Afghan refugees, it was learnt here yesterday.

The kerosene, to be used for cooking and heating purposes, is expected to ease refugee pressure on the forests which have been reportedly seriously damaged.

The appeal for the fuel donation has gone to primarily Muslim oil-producing countries, one of which, last year donated half a million litres.

The official concern on the destruction of forests has been considerably grown and in the recent meetings of the local refugee handling authorities, UNHCR and the World Food Programme the need to wean away the refugees from the use of forest wood fuel was emphatically underscored.

The other issues that came up at these periodical meetings held at Peshawar on Oct. 26 and Quetta on Nov. 9 included better health, education, water supply and income-generating schemes.

Meanwhile, enumeration of refugees in Baluchistan has almost been completed, and results are expected to be not very different from the registration figure. Enumeration will be launched in the NWFP soon after the refugees have come down from the mountains where they shift during the hot summer months.

Mardan tented village has

emerged as the biggest concentration where more than 260,000 people have been housed. Most of them have been shifted from Peshawar where more than half a million had come to live.

About 2.5 million Afghan refugees have been housed in a large number of camps straddling along 1,500 miles Pak-Afghan border. A little over 1,000 Kirghiz from Wakhan are settled in Gilgit and Hunza. Since supplies are difficult to be reached in the Northern Areas the Kirghiz refugees get their entire allowance in cash at the rate of Rs. 120 per head per month. For the rest of refugees the allowance is Rs. 50 per head per month, besides food and some other items.

Pakistan is spending about Rs. 2,000 million on the upkeep and welfare of the Afghan refugees. It is almost equal to the international aid which comes in cash and kind.

Japan is sending 50 trucks soon to facilitate the logistics of the refugee welfare agencies.

A highly-placed official told this correspondent that it is not true that refugees would tend to settle down in Pakistan if they were given generous facilities. He said all of them want to return to their homes in Afghanistan. The mud houses which some of them have built are only to provide extra protection against extreme weather conditions, he added.

He said the law and order situation in the camps is by and large quite satisfactory and no major incident involving the locals has taken place.

GREATER PRIVATE INVESTMENTS IN ECONOMIC SECTOR URGED

Karachi BUSINESS RECORDER in English 26 Nov 81 p 2

[Editorial: "Let Us Take Pride in Our Own People"]

[Text]

The statements of President General Mohammad Zia-ul-Haq and Finance Minister Ghulam Ishaq Khan stand out in sharp contradistinction from the speech of the Production Minister, Lt-Gen. Saeed Qadir in the Islamabad Symposium. While the latter has maintained his stance of never missing an opportunity to reprimand and warn the private sector, his two seniors have held out assurances to the private sector in the country. Obviously, President Zia and his Finance Minister are intelligently conscious of the thinking, expectations and fears attending risk investment by private citizens.

Business Recorder today wishes to draw the attention of President General Mohammad Zia-ul-Haq in particular and the people of Pakistan in every walk of life, bureaucracy included, to the very important fact that we seem to have lost the capacity to take pride in our countrymen, in their performance, in their patriotism and, to a very large

extent, in our country itself. Those who pioneered the creation of a Pakistan economic base, established industrial and commercial establishments where none existed, were labelled cheats, thugs, blood suckers, profiteers and capitalists, and the term '22 families' became a label of contempt and disgust. It is also a fact of life that none of these epithets against Pakistani entrepreneurs was coined and used by the public or even the leftist politicians, to begin with, who eagerly caught on it, but by those jealous individuals who framed policies in the secretariats and their representatives in various parts of the country.

Where would our economy be today if we did not have people like Saigols, Sheikhha, Amin Bashira, Latifa, Habiba, Adamjee, Ispahanis, Bawnys, Valis, Dawoods, Arags, Fancy's, Gogals or such enterprising people as Agha Hasan Abidi, Abdul Jalil, Shakir Durrani, to name only a few? Have not Pakistanis like Mo-

hammad Shoaib, Anwar Ali, Dr. I. H. Usmani, Prof. Salam, Abdul Qadir, M. A. Rangoonwala and Dr. Minai made their mark inside and outside this country, once having got rid of controls and regulations that inhibited their capabilities and capacities? Who does not know that quite a few scions of Pakistan are engaged in reputable and sizeable businesses and industrial enterprises in several countries abroad, employing thousands of Pakistanis? They have gone there not because of any loss of attachment to and love for Pakistan but because to be an industrialist or a businessman or a capitalist is not considered something criminal or derogatory there. They are there because they can work there more freely. But there is none among them who has cut his roots in Pakistan. Some of them have come back here opening the branch offices of their foreign establishments and are doing a lot of philanthropic work, besides. They are here unsung but still despised in some circles. We do not take pride in their perfor-

mance abroad. We do not recognise the charitable foundations that they have established or scholarships they give or the welfare projects they are running in Pakistan. To name only one such institution, which was news even to this newspaper, there is a bank with three branches in the country sponsored abroad by a Pakistani, which has established a charitable foundation that would receive all the profits earned by the bank in Pakistan to use for the welfare of people in Pakistan. This institution has established another foundation based in Lahore, which has received a large chunk of its foreign profits. Then again, this institution is running a welfare and self-help project in Orangi Township. We should be proud as Pakistanis of these institutions and its sponsor, BCCI. This is just one example which has come to light. We are confident that there must be others who have as quietly established institutions like those mentioned above. However, neither they nor the authorities that be publicise their good deeds.

Another instance where lack

of pride in our own people is brought into sharp focus is the fact that the opportunities in the economic field that we are prepared to allow a foreign investor we deny to our own people. If the news is correct, we are even prepared to amend the law and allow foreigners to undertake life insurance business in Pakistan, but perhaps, not to allow Pakistanis. This seems quite likely as do we not allow private sector banks of foreign nationality to establish their businesses in Pakistan with full guarantee for the remittance of their profits and capital?

Why do we have such a discriminatory attitude towards our own people, or shall we say, contempt for our own people? No nation can attain any position in the world community if it displays lack of respect for its own people or loses what Iqbal called its *Khudi*. It is a truism that no nation's flag can fly higher abroad than in its own country. Unless we take pride in our own people, in our nationhood and in our country, we shall command no respect abroad.

EFFORT TO LOWER PULSES PRICE REPORTED

Karachi MORNING NEWS in English 30 Nov 81 p 1

[Text] Islamabad, Nov 29--A high-level meeting under the chairmanship of Federal Minister for Food, Agriculture and Cooperatives Vice-Admiral Mohammad Fazil Janjua was held here today to review pulses situation in the country.

Addressing the meeting, the Minister said that the Government was taking all possible measures to bring down the prices of pulses in the country and that no one could be allowed to make fortune out of this situation. The Government, he said, was determined to overcome the shortage by increasing indigenous production and through imports so that pulses are available to the common man.

Satisfaction was expressed over the prospects of autumn crop this year. Target area under the crop for the year 1981-82 is 2.376 m. acre of which 96 percent has already been sown as against 2.082 m. acre last year. The production is expected to be 524,000 metric tonnes for the year 1981-82 as against 337 000 metric tonnes last year.

Quality and quantity of pulses, particularly mash moong and masoor to be imported and supply position with regards to local production was also considered and stocks of all pulses were found satisfactory. Sufficient quantity of imported pulses has already reached Karachi.

It was further decided that only comparable quality of what is being indigenously produced would be imported to help the market to reduce the prices of pulses in the country.

Among others, meeting was attended by Chairman PASSCO Utility Stores Corporation and Trading Corporation of Pakistan, representatives of all the concerned ministries and Pakistan Agricultural Research Council.--PPI

CSO: 4220/115

BETTER FOOD STORAGE FACILITIES URGED

Karachi DAWN in English 21 Nov 81 p 7

[Editorial: "Food Storage Facilities"]

[Text] **T**HE announcement by the Federal Minister for Food and Agriculture that the country has now a national food security reserve of 1.5 million tons, including 0.8 million tons of operational reserves, is very heartening news indeed. After facing a long period of food deficit, the attainment of self-sufficiency leading to the building up of food reserves signifies a real breakthrough on the food front. There has been a run of very good harvests over the last three years mainly owing to progress in the reorganisation of agriculture on modern, scientific lines and favourable weather conditions. Today, we are self-sufficient in wheat, our staple food in which shortages have long existed, and surplus in rice—and cotton—to a degree that they have become our top commodities for exports. Moreover, there are indications that we may produce a marginal surplus in wheat as well next season or so. If the necessary improvement in funds, infrastructure and inputs is achieved by indigenous efforts and international help, Pakistan is in a position to further raise agricultural production.

It is, therefore, time that due attention was paid to building up storage capacity for foodgrains commensurate with the prospective increase in the output of wheat and other crops. At present we suffer enormous losses between two stages—the gathering in of crops and marketing. It is reassuring that some capacity has been added for storage of foodgrains recently while more is going to be built. In Punjab, foodgrain godowns will be built in seven 'mandi' towns having capacities of from 1,000 to 8,000 tons each at a cost of Rs 1.6 crore within the next couple of years. Sind has a storage capacity of 4.75 lakh metric tonnes at present. This year more godowns having a capacity of 8,000 tonnes are to be completed. Besides, the National Logistic Cell is also constructing foodgrain godowns on behalf of the Federal Government. The PASCO is also actively engaged in building godowns as part of a phased programme. These godowns, being built by the Provincial Governments and other agencies, will come as a boon to agriculture. The World Bank and the Swiss Government have committed a loan of 30 million dollars and a grant of 7.5 mil-

lion dollars respectively for building these godowns. The private sector has also been invited to build foodgrain godowns which will be hired by the government if built according to given specifications. The Government should encourage small farmers to construct small godowns so that their produce also gets due protection. Interest-free loans to farmers will facilitate such a programme.

Along with wheat, rice, cotton and sugarcane, production of fresh fruit and vegetables is likely to go up for which more cold storage facilities than exist will be required in the near future. The Federal Government has set up a marketing company, the Agriculture Marketing and Storage Ltd, with funds provided by the Federal Bank of Cooperatives, for developing and maintaining a chain of cold storages throughout the country and for marketing of fruit, vegetables and milk. If the planned facilities can be operated efficiently, they will not only protect the growers' interests but also ensure regular supplies of fresh fruit, vegetables and milk at reasonable and stable prices to consumers.

NEED TO PLAN FOR LENTIL PRODUCTION DISCUSSED

Karachi BUSINESS RECORDER in English 21 Nov 81 p 21

[Editorial: "Planning Production of Pulses"]

[Text]

But for the prompt and decisive action taken by the Government such as the withdrawal of entire sales tax of 10 per cent, a 10 per cent reduction in the margin for establishing letters of credit and liberalisation of import of pulses, the situation should have become quite clumsy. With the replenishment of the depleted stocks the upward trend in the prices of this commodity has been arrested although they have not yet come down to the pre-crisis level. It is expected that with the arrival of new crops of Moong and Mash in the market there will be further easing of the situation.

The pulses crisis serves as a reminder that our agricultural planning and policy making suffers from inherent weaknesses and defects and calls for their removal. It is to be realised that the strategy of going for imports of primary commodities in case of their shortage may provide temporary relief but is not a permanent solution. It may help to meet the emergency

out at what cost? A country which is faced with chronic adverse balance of payments and is forced to incur back breaking debt burden cannot afford to squander its scarce foreign exchange resources on importing a commodity like pulses.

The nation has paid through its nose to reach near self-sufficiency in wheat. But we cannot say that a real breakthrough has been achieved in agricultural production. The indigenous production of oil-bearing seeds is still far and we spend huge sums of money every year on the import of edible oils from abroad. If pulses are also added to our import list our efforts to narrow the import-export gap will be frustrated.

The pulses are rightly called the poor man's meat in view of their comparative cheap availability and for possessing high contents of protein, minerals and vitamins. The continuous supply of pulses at reasonable prices is therefore necessary for main-

to tell other Americans that the new scheme of things was not going to affect the interest of the private investors within or without. It is, indeed, surprising, as they alleged, that they themselves did not know much about Pakistan and its economy.

No doubt that we are in need of foreign private investment. This is evident from all the incentives which we are offering to the investors abroad. We are setting up an Export Processing Zone in Karachi which has already started attracting foreign investors. Even in the tariff zone, the incentives are quite generous. The foreign investors should, therefore, decide on merits whether it is profitable for them to come here or go somewhere else. We do not want to invite them at the cost of our national pride. It is not only true of the economic field but of every other sphere — cultural, political and even defence. We are not getting anything from the U.S. as charity. Even the 3.2 billion dollar economic and military package deal is essentially a commer-

cial deal in which the loan which we are to take will not be concessional but on market rates of interest. We are to make purchases of defence equipment and will not be getting anything as gift or grant. The nation has endorsed the deal only because of the fact that it has not been made at the cost of its own pride. We will not do any such bargaining wherein our status as a sovereign state is compromised. If the American entrepreneurs are reluctant to come to this country and consider the existing incentives insufficient, they are entitled to their views. There are others who would come.

To our own authorities we would suggest that whatever foreign investment is coming to this country, should be carefully watched. The progress in the projects to be set up with the assistance of foreign capital should be reviewed from time to time and the people should be kept informed of the progress. This we have not done in the past nor have we, as far as we

know, yet started monitoring the development of such projects. A large number of projects set up in the past with the specific understanding that they would gradually reduce their imports and increase the local capability, are still getting import licences worth as much their imports ten to fifteen years back. It is time that we took stock of the situation and made amends for the mistakes made in the past. Our magnanimity, perhaps, is being interpreted by some of the foreign investors as our weakness. Such an impression has got to be erased.

Before concluding, we would like to emphasise in relation to America and for that matter any other friendly country, that the portrayal of the goodwill and friendliness of that country's people and authorities, should be based on realism and should not be so overblown as to give a totally wrong impression about their attitude in times of our need. We should never allow the repetition of the mistakes we made in the fifties.

BRIEFS

'AL-SULFIKAR' MEMBER ARRESTED--Robina, the 21-year-old former nurse of a local hospital, who had disappeared from a Federal Capital Area flat on Oct 20 last after a shoot-out in which Lala Asad and a police officer were killed was caught in Sukkur yesterday. According to informed sources, Robina had gone to Khairpur to offer her condolences to the family of Asadullah, alias Lala Asad, stated to be the local commander of 'Al-Zulfikar.' She was picked up by the police when she tried to slip away from there. Earlier, she had escaped with her friend Rukhsar Qureshi, an employee of Pakistan Steel. Both of them were wanted by the police for interrogation and their alleged involvement in subversive activities. Robina worked as a Staff Nurse for more than two years. After that, according to sources, she joined the "terrorists" and reportedly played the role of a courier. Right from the beginning, police sources believed that she was an "important link" between persons hiding at different places. [Text] [Karachi DAWN in English 28 Nov 81 p 10]

PLAN TO INTENSIFY OIL EXPLORATION--Islamabad, Nov 27--The Government has chalked out plans for intensifying oil exploration in the country, and in this regard Pakistan will seek collaboration with Kuwait and Abu Dhabi. The Federal Minister for Petroleum and Natural Resources, Maj-Gen (Retd) Fao Farman Ali Khan, leading a three-member delegation, left here today on a 10-day visit to Kuwait, Abu Dhabi, London and Italy. In an interview before leaving, the Minister told PPI that he will hold talks with his counterpart in Kuwait and high officials in Abu Dhabi National Oil Company on matters relating to the collaboration. The level of present collaboration with these countries will also be discussed during the talks. Referring to his visit to London, the Minister said that he will hold talks with the drilling contractor of Toot oil field for intensifying drilling operation at the Toot oil field. He will visit Italy in the capacity of Managing Director of Fauji Foundation and discuss matters relating to Fauji fertilizer plant. The plant, located at Goth Makhhi, is expected to go into production in March next.--PPI [Text] [Karachi DAWN in English 28 Nov 81 p 3]

COUNCILLORS ARRESTED ON SUSPICION--The Faisalabad police have held six persons including one local Municipal Councillor, Mr Yousaf Minnas, on suspicion of having links with the terrorist Al-Zulfikar Tanzeem, and started interrogation. The officer held persons include Shafique Ahmad and Mohammad Iqbal. The police have already arrested Mrs Zuaidia Malik, another Municipal Councillor on the same charge. She was to be sent to Lahore Fort for interrogation under orders of the District Magistrate, Faisalabad, but on recommendations of local doctors she has not yet been transferred to Lahore due to serious illness. The local Assistant Commissioner has directed the police to arrange proper medical treatment for Mrs Aubaida Malik before shifting her to Lahore. [Text] [Karachi DAWN in English 26 Nov 81 p 3]

MEHRAN STUDENTS EXPELLED--Hyderabad, Nov 29--The Vice-Chancellor, Mehran University of Engineering and Technology, Jamshore, has expelled seven students on account of their activities prejudicial to the maintenance of discipline and academic peace in the University, according to a circular issued here by the Registrar, Mehran University. Those expelled are: (1) Hafeezullah s/o Abdul Karim Solandi, (2) Abdul Aziz s/o Ghulam Mohammad Soomro, (3) Mukhtar Ali s/o Maui Ali Shah, (4) Nooruddin s/o Mohammad Azam Abbasi, (5) Pir Bux s/o Saeed Khan Babar, (6) Mohammad Zakaria s/o Ghulam Mustafa Memon and (7) Abdul Subhan s/o Ghulam Mohammad Memon. The four students who have been rusticated for a period of three years each are (1) Abdul Qadir s/o Abdul Jabbar Jarwar, (2) Mohammad Jobal s/o Mohammad Ismail Memon, (3) Mohammad Sulleman s/o Kasaro Khan Jatoi and (4) Mumtazali s/o Chandio Khan. These eleven students are required to immediately leave hostels and are restrained from entering the university campuses. [Text] [Karachi DAWN in English 30 Nov 81 p 6]

AUSTRALIAN IRON ORE--The Mount Newman iron-ore project in Western Australia has clinched a five-year contract to sell 300,000 tonnes of ore a year to the Pakistan Steel Mills Corporation. Worth \$A30 millions (Rs 27 crores) at current prices, the iron-ore contract is the first awarded by Pakistan to an Australian corporation. The sale represents 18.5 per cent of Pakistan's total iron-ore requirements. While the new contract has only just been announced, Mount Newman began shipping small quantities of ore on a trial basis early this year and by March 1982, expects to have sent 100,000 tonnes. At this point the five-year contract will take effect. There is provision for an extension subject to agreement by both parties, as well as an annual price review in line with the current yearly price negotiations with Japanese Steel Mills--AUSTRALIAN INFORMATION SERVICE. [Text] [Madras THE HINDU in English 11 Nov 81 p 26]

PAKISTAN VS USSR, INDIA ATTACKS--Lahore, Nov 19--The British Ambassador to Pakistan, Mr Oliver Forster, has said the United Kingdom will support Pakistan to best of her ability in case of "unprovoked aggression against it by the Soviet Union or India." In an interview with PPI here today, he said: "No country of the free world will like to stand calm and see Pakistan being run over by the Soviet Union." Answering a question about the nature and magnitude of the support, he said: "It will depend upon the circumstances." Asked as to how UK takes the persistent violation of Pakistan territory by the Afghan planes, Mr Forster said: "It was unfortunate." No country should violate the territories of the other country. They are unacceptable internationally, we deplore these violations." Replying to a query, the British Ambassador said "It's not really for us to protest against these incidents, but we support Pakistan." Questioned if the United Kingdom will put forth an amended formula to settle the Afghanistan issue since its previous one, also backed by the European Economic Community, was rejected by the Soviet Union, the British Ambassador said: "We have no new formula at present but we shall prepare one if the circumstances necessitated it." "We also hope that the Soviet Union will change their mind but, at present, there are apparent signs that USSR will be prepared to get into negotiations to solve this problem," he added.--PPI [Text] [Karachi MORNING NEWS in English 20 Nov 81 p 12]

URDU POSTER FORFEITED--Peshawar, Nov 20--The NWFP Government has forfeited all copies of Urdu poster captioned "Akhaiye Kun" ["Why All This?"] with immediate effect. The poster contains objectionable material. The action has been taken under Section 39 of West Pakistan Press and Publication Ordinance 1963.--APP [Text] [Karachi DAWN in English 21 Nov 81 p 4]

U.S., JAPAN GET LARGEST SLICES OF TRADE

BK031449 Hong Kong AFP in English 1230 GMT 3 Dec 81

[Text] Manila, 3 Dec (AFP)--The United States and Japan obtained the largest slices of the Philippines' external trade during the first 6 months this year taking up 60 percent of the U.S.\$4,312 million generated by the country from its 10 biggest trading partners.

Latest statistics released by the Ministry of Trade and Industry showed the United States leading Japan by \$405.5 million with its \$1,499 million trade during the period, an amount which constituted about 34.78 percent of the 10-nation trade during the period.

Japan's total trade with the Philippines amounted to \$1,094 million or 25.38 percent of the total.

Coming a far third was Saudi Arabia with \$425.29 million or 9.86 percent, West Germany with \$249.63 million or 5.79 percent, the Netherlands with \$229.32 million or 5.32 percent and Indonesia with \$200.79 million or 4.66 percent.

The country's seventh biggest trading partner was Hong Kong with \$178.93 million or 4.15 percent followed by China with \$145.64 million or 3.38 percent, Australia with \$144.24 million or 3.34 percent and Republic of Korea with \$144.14 million or 3.34 percent.

The Philippines posted a favorable balance of trade with seven countries except for Saudi Arabia, China and Australia. Its overall trade surplus during the period reached \$302.17 million, up by 8.38 percent from the \$278.8 million posted during the same period last year.

Posting the biggest increase in the bilateral trade with the Philippines was Indonesia whose aggregate trade of \$200.79 million rose from \$90.91 million by 120.87 percent.

The country's total trade with the 10 countries rose by 16.22 percent over the \$3,710 million registered in the first half of 1980.

Factors cited for the favorable trade balance of the country during the period included the government's intensified export drive and the growth of earnings of electronics components, coconut oil, centrifugal sugar and garments exports.

MNLF MEN DOWN TO HALF OF '72

Manila PHILIPPINES DAILY EXPRESS 3 Nov 81 p 2

[Text] The regular strength of the Moro National Liberation Front has gone down to an estimated 9,000 men armed and unarmed, about half the peak strength in 1972. Maj. Gen. Josephus Q. Ramas, Philippine Army chief, said recently in an interview.

(The regular strength is derived from a headcount of the enemy combatants by field intelligence of the armed forces. The 9,000 regular strength, however, does not include the service or combat support elements and the mass base sympathizers of the MNLF whose number is always presumed much bigger by the military.)

Assessing the MNLF figures and the trend of its armed operations in the past months, Ramas said that the MNLF is no longer a big threat to the country's internal security.

He said that the MNLF ranks will continue to be decimated with the increasing number of MNLF hardcores in the South who are now giving up to seek accommodation under the government's policy of attraction and reconciliation.

Ramas said the armed forces need not deploy more troops to the South because of the waning MNLF strength.

He added that the combat capability of the Filipino soldier, particularly in guerilla warfare, has been proven "high" compared to his counterpart in other countries where insurgency thrives.

Because of this, he said, the armed forces does not have to adhere to the US-applied deployment ratio of 10 soldiers to one insurgent or the bigger 100 to 1 ratio in some South American countries.

Ramas, who has adopted the "economy in force" doctrine in Army operations since becoming Army chief a few months ago, said that the Army has embarked on a program to retrain soldiers in guerilla warfare.

Squad-size scout operations remain and will so continue in the rest of the 80's as the most effective mode of army operations in the areas affected either by the MNLF or the New People's Army, Ramas said.

Combat strategies, he said, will have to be modified and men retrained along this small-unit concept.

VIRATA SEES CUT IN BORROWINGS

Manila PHILIPPINES DAILY EXPRESS in English 20 Nov 81 p 116

[Text]

FOREIGN borrowings will have to be cut next year because of the drop in the country's export earnings this year, and to keep the repayment burden within manageable levels.

Prime Minister Cesar E.A. Virata yesterday told financial executives that under the law the debt service or repayment burden has to be maintained at 20 percent of the export earnings in the preceding year.

Latest available data from the Central Bank show that the country's outstanding foreign debt amounted to \$15.37 billion as of Sept. 30, 1981, an increase of \$2.67 billion or 21 percent from the end-1980 level of \$12.7 billion.

The CB data also showed that from January to September this year interest payments on foreign debts amounted to \$967 million, a sharp increase of \$638 million in the same period last year.

...
THERE HAS been a slight drop in export earnings this year, which means foreign borrowings will be cut in 1982 to maintain the 20-percent debt service ratio, the Prime Minister said in a speech before the Financial Executives Institute (FINEX).

As of Sept. 30, 1981, earnings from exports had amounted to \$3.4 billion compared to \$3.5 billion in January to September 1980, CB data showed.

Virata also said that in the coming years, the country's concern will be focused on servicing foreign debts that were incurred to pay for the soaring oil import bill.

He added that there will be a need for a moratorium or grace period on future borrowings so that the repayment burden will be manageable and within the country's self-imposed ceiling.

THE PRIME Minister also said that a budget deficit of P10 million is expected to be incurred this year.

He appealed to businessmen and financial leaders to reconsider their operations and lending activities so that more financing will actually go to the rural areas for agricultural and food production projects.

He chided bankers in the urban areas for not being keen in financing agricultural projects, and who would rather invest only in government securities to satisfy CB regulations.

Virata also appealed to businessmen to review their lending activities so that only the viable and feasible projects are given financial assistance.

RP WON'S SEEK MORATORIUM ON LOAN REPAYMENTS

Manila PHILIPPINES DAILY EXPRESS 22 Nov 81 p 10

[Text]

THE country will not seek a moratorium on interest and principal repayments on over \$15 billion worth of foreign debts, but instead seek softer terms on new loans to ease the growing surben of servicing the borrowings, Prime Minister Cesar E.A. Virata said the other night.

In a press briefing, the Prime Minister also said that:

- The government expects to incur an P11 billion budget deficit in 1982, compared to P10 billion projected this year.

- The RP-United States tax treaty may take effect in 1982 pending to the resolution of additional provisions pertaining to the taxation of the income derived by American airlines operating in the country.

- The Cabinet is reviewing the service contract for geothermal exploration, particularly those proposed by Caltex and Total Oil.

• • •

THE Prime Minister said, the government will require the private sector to ask for softer terms, particularly the extension of grace periods, on new foreign loans.

Virata, concurrently the finance minister, said that another alternative being considered by the government is to capitalize the interest to make room for additional borrowings.

The move, he pointed out, is intended to make sure that the country does not go beyond its self-imposed limit of a 20 percent debt service ratio. Under the law foreign loans during the year is limited to 20 percent of the export earnings in the preceding year.

The Prime Minister also said that in the case of export credits, borrowers will be asked to seek a grace period of three years after actual construction of the project which shall be financed by the loan.

• • •

VIRATA cited the need for softer terms on new loans because of the slight drop in export earnings this

year. The drop in dollar revenues will result in the reduction of new loans in 1982 to conform with the 20 percent debt service limit.

As of September 1981, export earnings had amounted to only \$3.414 billion which was \$90 million less than the January-September 1980 figures of \$3.504 billion.

The Prime Minister said that the P11 billion cash deficit is projected in 1982 because government spending will have to be stepped up next year to stimulate economic and production activities in the economy.

• • •

IN the case of the tax treaty, Virata said that the national laws of either country Philippines is agreeable to the US position that the income from the sale of airline tickets will be subject to the respective national laws where the transaction is made or where the ticket is sold.

This position had been offered by the Philippines in the past but it was not acceptable to the U.S.

BRIEFS

FREE ENTERPRISE--President Marcos has reaffirmed his belief in the free enterprise system. He also restated the government's policy that private enterprise should be left alone. President Marcos declared this during the opening of the 27th congress of the International Chamber of Commerce. The president said his leadership was retained because he has maintained and insisted that free enterprise be the agent of change. Several times during the president's speech he was interrupted by applause by well-known businessmen from all over the world who gathered for the congress. Mr Marcos stressed that the government neither intends to take over nor nationalize any existing organizations. He declared, "We don't intend to take over or confiscate private property. We don't believe in that. We don't intend to nationalize any existing organization, unless there is a war, where we need public utilities and the like. We don't believe in state capitalism," the president emphasized. [Text] [HK240053 Manila Far East Broadcasting Company in English 2330 GMT 24 Nov 81]

INDONESIAN, KOREAN ENVOYS--President Marcos has expressed optimism about the continuing growth of relations with Indonesia and South Korea. The chief executive made the statement as he received the letters of credence of Indonesian ambassador Leo Lopulisan, President Marcos cited the similarity of experiences of the Filipinos and Indonesians. He said the two peoples both emerged victorious from disastrous wars, and both peoples have also learned the true value of friendship. The president also received the new South Korean Yi Nam-ki. He said the recent visit of South Korean President Chun Tu-hwan helped to strengthen the already close relations between the Philippines and South Korea. [Text] [HK260501 Baguio Mountain Province Broadcasting Corporation in English 0400 GMT 26 Nov 81]

ARAB-FUNDED DEVELOPMENT BANK--An Arab-funded Developed Bank will soon be established in the Philippines. President Marcos approved last night the request by Philippine Muslim leaders for the establishment of the bank. The Muslim leaders, belonging to the ulamas, or scholars', council of the Philippines, told President Marcos that Kuwait, Saudi Arabia and other Arab states have offered to put up the bank in the country. During the meeting with the Muslim leaders, President Marcos also called for Filipino unity against the communist threat. [Text] [HK050202 Manila Far East Broadcasting Company in English 0130 GMT 5 Dec 81]

MINING INDUSTRY FUND--President Marcos has ordered the establishment of a special stabilization fund to assist mining companies during periods of depressed metal prices in the international market. The president's move was prompted by declining copper prices in the world market, which had adversely affected major Philippine mining companies. His order reflected the Philippine Government's continuing concern over the stability of the country's industries, especially those providing intensive employment. [Text] [HK060250 Manila Far East Broadcasting Company in English 0230 GMT 6 Dec 81]

SAUDI MARKETS--The Philippines has begun an intensified campaign to get a bigger share of the Saudi consumer goods and construction markets, with the opening of the Philippine trade and industrial exhibition in Jeddah, Saudi Arabia. Prince Majid Bin Abdul Aziz al-Saud, governor of Makkah Province, cut the ceremonial ribbon to formally open the trade fair. He was welcomed and taken around the exhibit area by charge d'affaires Emilio D. Biosa, and commercial counsellor Antonio Basilio of the Philippine Embassy. Close to 500 diplomats, Saudi and other foreign businessmen and industrialists, Saudi Government officials, Filipino businessmen and contractors and their wives attended the inauguration. [Text] [HK070233 Manila Far East Broadcasting Company in English 0130 GMT 7 Dec 81]

CSO: 4220/120

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23 December 1981

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NINE OF 13 CHARGED AS CROATIAN REVOLUTIONARIES FREED

Sydney THE SYDNEY MORNING HERALD in English 9 Oct 81 p 3

[Text]

Nine of the 13 men charged with training for an invasion of Yugoslavia were found not guilty yesterday after a record 10-day deliberation by the jury.

One man, 47-year-old Jure Maric, was found guilty of training the group in the use of weapons and in military exercises and will appear for sentence today at the District Criminal Court.

The jury was unable to reach a verdict on the other three defendants and Judge Thorley remanded them for further trial.

After the verdicts, the judge praised the jury, which had been locked up in the District Criminal Court in Darlinghurst for 10 days, including the holiday weekend. "Though it is not a record for a jury to be confined to the court during the duration of a trial," said Judge Thorley, "it is certainly a record time for a jury to be out on deliberation."

The 13 defendants had allegedly belonged to a group called the Croatian Revolutionary Brotherhood and had allegedly been gathering to prepare for an invasion of Croatia.

They were arrested on September 2, 1978.

Maric, a printing engineer, of Fromelles Avenue, Seaford, was convicted of having been present at an assembly of persons for the purpose of training them in the use of military arms and explosives.

He was also convicted of training the group in military exercises.

The charges were brought under the Commonwealth Crimes, Foreign Incursions and Recruitment Act which, the court has been told, deals with attempts by people in Australia to interfere with the government of another country.

The other 12 defendants were charged with allowing themselves to be trained in the use of arms and explosives for the purpose of committing an offence under the Act, and with allowing themselves to be trained in military exercises.

The nine found not guilty were: Nikola Bilan, 39, of Bedford Crescent, Dulwich Hill; Zlatimir Beg, 45, of Pommeray Street, Homebush; Franco Boak, 28, of Commonwealth Street, Croydon; Simon Franjic, 39, of Eppalock Street, Duffy, ACT; Bosko Jakica, 43, of Jeffrey Street, Canterbury; Andrija Lemic, 37, of Stewart Crescent, Melba, ACT; Stjepan Nevins, 32, of Belmont Street, Alexandria; Evan Sacer, 34, of Rose Smith Crescent, Scullin, ACT; and Ivan Tomic, 35, of Meig Place, Blacktown.

No verdict was reached on the two charges faced by Jerko Kovac, 31, of Rossmore Street, Fisher, ACT and Ante Nisavic, 38, of Tumborata Crescent, Blacktown,

or on the second charge faced by Ante Saric, 33, of Fifth Street, Ashbury.

During the trial, Commonwealth police gave evidence that at the time of their arrest, some of the defendants had been dressed in military-style uniforms adorned with Croatian insignia.

It was also alleged that some of the defendants had been carrying pistols, shotguns, rifles, knives, Army field radios, ammunition and detonators.

The Crown Prosecutor, Mr J. C. Burchett, QC, told the court that a document found on one of the defendants indicated an intention to promote an incursion into Yugoslavia.

But a number of the defendants gave evidence that the purpose of the gathering had been to make a documentary film. Some segments of film, seized during the arrest, were developed by police and shown during the trial.

They showed groups of men patrolling through dense bushland, lying on the ground and crouching around a map.

The defendants had been released on bail since committal proceedings in the lower court but, as each finished giving evidence in his own defence at the trial, he was taken into custody in the remand section of Long Bay Jail until yesterday's verdict.

AUSTRALIA

BRIEFS

QUEENSLAND OIL FIND--A significant oil flow has been announced from an exploration well in southwestern Queensland. The Delhi Petroleum Company says its (Jackson) No 1 well has flowed about 350 barrels a day. Delhi's exploration manager Mr (Hollingsworth) says the find is significant because the well is in a new area 1,200 km west of Brisbane near the south Australian border. Mr (Hollingsworth) says it will be some time before it is known whether (Jackson) No 1 well will be a commercial well but it is an indication of the area's potential. [Text] [BK241041 Melbourne Overseas Service in English 0830 GMT 23 Nov 81 BK]

SOUTH AUSTRALIAN OFFSHORE OIL--A new offshore oil exploration program is beginning in south Australian waters. Australian Occidental Petroleum is starting a well in the great Australian Bight, west of Port Lincoln. A total of 18 more wells are planned by exploration companies in the largely unexplored waters of the Bight. [Excerpt] [Melbourne Overseas Service in English 0830 GMT 24 Nov 81 BK]

FRG LOAN SOUGHT--The Federal Government is seeking a West German loan of A\$117 million, that is U.S.\$133 million. The treasurer, Mr Howard, says a final decision on the proposed Deutsche mark public issue will be made next month in the light of market conditions. Mr Howard said that consistent of Australia being a net importer of overseas capital, it was the Federal Government's policy to borrow from overseas on a moderate scale from time to time. This financial year the government intended to seek loans totaling about A\$500 million. Last week, the treasurer denied reports that a treasury official was planning to visit Saudi Arabia to negotiate a Saudi Loan. [Text] [BK290909 Melbourne Overseas Service in English 0830 GMT 29 Nov 81]

JAPAN BEEF MARKET--Australia has told Japan of its concern at the erosion of its share of the Japanese beef import market. The minister for primary industry, Mr Nixon, called on the Japanese charge d'affaires, Mr (Tajima), to express the government's worries. Mr Nixon, who is to visit Tokyo later this month to discuss the issue, said that he would be raising it directly in the strongest terms with the Japanese ministers and officials. He said Canberra was particularly concerned that Australia's share of the Japanese market had fallen at a time when Tokyo's import of high quality beef from the United States was increasing. Mr Nixon noted that the settlement achieved under multilateral trade negotiations clearly gave Australia reasonable expectations of steady growth in the Japanese import of its meat. This was against the erosion now being witnessed, which if it continued, carried serious implications for the Australian beef industry. Earlier, in the wake of trade complaints from Australia, Japan announced that it was reducing the price of imported beef to boost the sale. [Text] [BK050932 Melbourne Overseas Service in English 0830 GMT 5 Dec 81]

'VOPE' REPORTS BATTLE NEWS IN VARIOUS AREAS

Wa District, Mong Yang

BK180310 Voice of the People of Burma (Clandestine) in Burmese to Burma 0030 GMT 18 Nov 81

[Text] Combat news: On 19 October, a people's mine attack in (Laung Tong Kyaik) in northern Wa District killed an enemy soldier from the military government's mercenary 3d Kachin Rifle Regiment.

On 4 November, a small unit of the People's Army attacked the military government's mercenary Kayah Rifle Regiment at (Wai Yang) in Mong Yang region. The attack killed six enemy soldiers including a mercenary officer and wounded four others. One pistol, 1 carbine, 2 G-3's, 1 M-18, 1 signal gun, 6 hand grenades, and 140 rounds of ammunition were seized from the enemy.

Mine Attacks in Kokang

BK210910 Voice of the People of Burma (Clandestine) in Burmese to Burma 0030 GMT 20 Nov 81

[Text] Combat news on guerrilla attacks in Kokang region: On 2 October, a small unit of the People's Army conducted an ambush against the military government's mercenary 4th Chin Rifles Regiment on (Lin Su) mountain, killing two enemy soldiers and wounding one.

On the same day, a clash with the enemy at (Lu Khin Su) killed three enemy soldiers and wounded one.

On 8 October, a people's mine attack at (San Kho Kang) in (Yawng Htong Kyeng) killed two enemy soldiers.

On 22 October, a small guerrilla unit of the People's Army conducted an attack on (Kyu Kang) Road, killing one enemy soldier.

On 25 October, a mine attack by a small unit of the People's Army on (Ta Kwan) mountain killed one enemy soldier and wounded another from the military government's mercenary 109th Light Infantry Regiment.

Shan State

BK220827 Voice of the People of Burma (Clandestine) in Burmese to Burma 0030 GMT
22 Nov 81

[Text] A 9-month battle report from central Shan State: Between 1 January and 30 September--a 9-month period--the People's Army fought 30 battles against the military government's mercenary army on the western side of Mong Kung-Lai-hka Road. Forty enemy soldiers were killed and 57 others were wounded in these battles. Thus the People's Army put 97 enemy soldiers out of action, and also seized 3 firearms and almost 400 rounds of ammunition. One military vehicle was also destroyed.

In the same period, guerrilla units of the People's Army fought with the military government's mercenary army on the western side of (?Tonglau)-(?Na-lang) Road six times. Ten enemy soldiers were killed and six others were wounded in the clashes.

Comprehensive account of battles fought jointly by the People's Army, the Shan State Nationalities Liberation Organization [SSNLO] and the Kayan New Land Revolutionary Council [KNLRC] in a 9-month period: Between 1 January and 30 September, combined units of the People's Army, the SSNLO and the KNLRC fought 49 battles with the military government's mercenary army in southern Shan State. In these battles, a total of 131 enemy soldiers were killed, 98 others were wounded and 1 was taken prisoner. Thus a total of 230 enemy soldiers were put out of action.

A total of 21 assorted firearms, over 700 rounds of assorted ammunition, 1 telegraphic transmitter and some other military supplies were seized from the enemy. A bridge used by the military government's mercenaries was also blown up and destroyed.

CSO: 4211/5

BRIEFS

PEOPLE'S ARMY ATTACKS IN KENG TUNG--Combat news: On 11 November a People's Army unit attacked the camp of the military government's mercenary force in (Yang Kha) on the Keng Tung-Mong Hpyak road, killing six enemy soldiers. Three carbines, 1 G-2, 1 Sten gun, 9 artillery shells, 180 rounds of ammunition and some military equipment were seized from the enemy during the attack. On 25 November, a People's Army unit launched a surprise attack against the military government's mercenary 1st Rifles Regiment camp in (Kaung Pha) near Keng Tung. According to initial reports, eight enemy soldiers were killed and two were taken prisoner during the attack. Two carbines, 2 G-2's, 2 G-3's, 1 G-4, over 1,800 rounds of assorted ammunition—including 2-inch mortar shells—hand grenades and other military equipment were also seized from the enemy. [Text] [BK041311 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 4 Dec 81]

APPOINTMENT OF AMBASSADORS--Rangoon, 7 Nov--The President of the Socialist Republic of the Union of Burma has appointed U Kyaw Khin as Ambassador Extraordinary and Plenipotentiary of the Socialist Republic of the Union of Burma to the Union of Soviet Socialist Republics.--NAB [Text] [Rangoon THE WORKING PEOPLE'S DAILY 7 Nov 81 p 8]

TO INDONESIA--Rangoon, 7 Nov--The President of the Socialist Republic of the Union of Burma has appointed Dr Bo Lay as Ambassador Extraordinary and Plenipotentiary of the Socialist Republic of the Union of Burma to the Republic of Indonesia.--NAB [Text] [Rangoon THE WORKING PEOPLE'S DAILY 7 Nov 81 p 8]

TO MALAYSIA--Rangoon, 7 Nov--The President of the Socialist Republic of the Union of Burma has appointed U Myint Aung as Ambassador Extraordinary and Plenipotentiary of the Socialist Republic of the Union of Burma to Malaysia.--NAB [Text] [Rangoon THE WORKING PEOPLE'S DAILY 7 Nov 81 p 8]

CSO: 4220/121-E

INDONESIA

DELEGATION TO ATTEND U.N.-SPONSORED CONFERENCE IN CHINA

No Plan To Meet With Chinese Leaders

Jakarta HARIAN UMUM AB in Indonesian 16 Oct 81 pp 1, 2

[Excerpts] An Indonesian parliamentary delegation consisting of six members and headed by Dr. T. Iswari, who is a member of the Golkar [functional group] faction and the vice chairman of Commission VIII, is planned to leave for Beijing on 23 October.

Dr Tien Iswari informed newsmen of the visit on Thursday afternoon [15 October] after the delegation had met with Information Minister Ali Murtopo on the visit. He added that the delegation's sole mission was to attend the Asian parliamentary conference on population and development.

"The conference is taking place in Beijing, and we are attending it at the invitation of the United Nations Fund for Population Activities (UNFPA)," he said, clarifying that there was no plan for the delegation to meet with Chinese leaders.

The parliamentary delegation had been contacted by Daryatmo, chairman of Parliament, after the close of the first session of that legislative body.

"We have been given no other instruction. We shall only discuss world problems relevant to the conference agenda," he replied when asked what had happened during the meeting with Information Minister Ali that afternoon.

It appears that the six-member delegation will be accompanied by Djoko Sujono, head of public relations for the National Secretary of ASEAN [Association of Southeast Asian Nations].

Solons Comment on Visit

Jakarta HARIAN UMUM AB in Indonesian 17 Oct 81 pp 1, 8

[Excerpt] Drs Surjadi, the youthful member of the PDI [Indonesian Democracy Party] faction of Parliament, feels that naturally the best possible use should be made of both private and functional opportunities that concern developments within a nation. Surjadi gave this response when questioned by the KNI

[Indonesian National Committee] on Friday [16 October] at the Parliament building in Senayan in connection with the visit of the Parliamentary delegation to Beijing (China) to attend the population conference.

Since the conference is being organized by the UN, he said, that is by the UN Fund for Population Activities (UNFPA), the population problem is a fundamental one for us as UN members.

This is a basic and serious problem for Indonesia, and therefore, there is no reason why Indonesia should not attend this session. Moreover, it is necessary that Indonesia additionally be able to offer proposals on population policy and benefit from hearing and studying how other countries have solved their population problems.

The PDI faction secretary said that by abiding by the fact that RI-PRC relations are frozen, trade relations with China to date have been handled by third parties. Therefore the third party automatically reaps larger profits than either of the other two parties. Thus earnest consideration should be given to the best possible step to be taken with regard to effecting direct two-way trade.

"I believe there are many commodities that could be sold to China," Surjadi said. Surjadi, who sits as chairman of Commission X (research and technology), believes the delegation's visit by nature is a private as well as a functional one. The members' eyes will be opened by more accurate, up-to-date, first-hand information on PRC developments and personalities rather than having to rely on the articles and reports of other individuals who, of course, have views and interests which differ from ours, he said.

"We must have confidence in our own ability to be the eyes and ears on matters of interest to our people and nation," Surjadi said.

Meanwhile, H.M. Amin Iskandar, an FPP [Central Pantjasila Front] faction member, said the decision to send an Indonesian parliamentary delegation to Beijing actually placed Indonesia in an awkward position. On the one hand, Indonesia does not want to absent itself from all activities of world bodies since Indonesia is a member of those organizations. On the other hand, the selection of Beijing as the meeting place conveys undesirable political indicators.

The Commission I (foreign affairs and defense and security) member said it had been noted that a PRC delegation had come to Indonesia to attend an international conference conducted by UN in Yogya some time ago.

If the visit of the Indonesian parliamentary delegation is construed as a return visit, then the PRC strategy to break the freeze in diplomatic relations could succeed as was the case with the United States in using ping pong diplomacy.

In view of the situation, conditions, and present PRC attitude toward helping subversive communist parties in other countries, Amin Iskandar said, it is hoped that Indonesia will act cautiously in this matter.

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CSO: 4213/11

BRIEFS

INDONESIA FAVORED ON TIMOR INTEGRATION--Bangkok--The Vatican is convinced that integration of East Timor into Indonesia is the best means of assuring the development and progress of this former Portuguese colony. This statement was made by Indonesian Foreign Minister Mochtar following a meeting with Monseigneur Pablo Puente, Apostolic Nuncio in Jakarta. The Apostolic Nuncio was heartened by the assistance that the Indonesian Government had given to Catholic community of East Timor. This community is not a member of the Indonesian Catholic Church. Last August Suharto, the chief of state, urged the church authorities to initiate measures for integration of the local church into the Indonesian Catholic Council. [Excerpt] [Paris LE MONDE in French 25 Nov 81 p 6]

CSO: 4200/9

SIHANOUK INTERVIEWED ON INTERNATIONAL RELATIONS

Paris POLITIQUE INTERNATIONALE in French Autumn 81 pp 161-176

[Interview with Prince Norodom Sihanouk, former king and head of state of Cambodia, president of the FUNCINPEC (National Union Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia), author of the following publications among others, "L'Indochine vue de Peking" [Indochina Seen from Peking], Le Seuil, 1972; "Chroniques de guerre et d'espoir" [Chronicles of War and Hope], Hachette, 1979; "Souvenirs doux e amers" [Sweet and Bitter Memories], Hachette, 1980, by Patrick Wajzman: "My Cambodia"]

/Text/ Patrick Wajzman: Your Royal Highness, in 1972 you wrote in a book, published in collaboration with Jean Lacouture, that Indochina would never be "Hanoizied" and that Cambodia and Vietnam could live in an atmosphere of good understanding. Was your prediction imperfect or were events unforeseeable?

Norodom Sihanouk: Events were rather unforeseeable. Generally speaking, I do not really like prophecies. Because events always wind up giving you the lie and ridiculing you. You want proof? Even my excellent friend Jean Lacouture--whom you mentioned a moment ago--did not anticipate the horrors of the Khmer Rouge; and you undoubtedly remember the enthusiastic articles which he published at the time on this revolution whose barbarism he had not suspected. Well, he was wrong--a sincere man, a faithful man. Me, too. That is all. But allow me nevertheless to add that the extraordinary confidence which our friends of the European left have for so long been placing in the "pure, hard, and human" socialism of Pol Pot and his followers raised my hackles and surprised me.

PW [Patrick Wajzman]: But did you yourself not yield to this funereal illusion?

NS [Norodom Sihanouk]: That is true I, too, believed that the Khmer Rouge were good revolutionaries. I believed that my country would have great luck if, thanks to them, it were to manage to defeat American imperialism and the thoroughly rotten puppets of the regime of Lon Nol. Once again, I was only thinking of my people, as I have always done. Thus it seems to me today that the Vietnamese protectorate provisionally constitutes a lesser evil than a possible return to power by the men of Pol Pot. The vast majority of Cambodians by the way would react in the same fashion. Does this mean that we, my people and I, are pro-Vietnam? Certainly not. Does this mean that one should condemn us for the simple reason that we are forced to choose the lesser of two evils? Not at all. As you

can see, history does not always offer us a possibility to make our political choices and our preferences coincide. I repeat: yesterday I opted for the hope represented by the Khmer Rouge against the clique of Lon Nol who was controlled by Washington. And today I reject those same Khmer Rouge because there is no way out of their adventure. In both cases, I am guided only by the higher interests of my people. I was wrong once. Should I therefore persevere in error?

PW: What, in your view, are the optimum objectives of the men in Hanoi? Do you think that, after having grabbed South Vietnam, Laos, and Cambodia, they would like to go so far as to destabilize Thailand? In a word: what, in your opinion, are the geopolitical limits which Vietnamese imperialism has set for itself?

NS: Allow me, first of all, to make a brief remark. It is true that the Vietnamese have always been imperialists; and everybody recalls that, what later on became South Vietnam, used to belong to the Khmer empire. But do not forget that, although Hanoi's army today occupies my country, this is because the Khmer Rouge provided the pretext for it. It is the friends of Pol Pot who, from the very beginning, are responsible for the conflict between us and Hanoi. As far as I am concerned, I have always tried to make sure not to provide a pretext for the Vietnamese imperialists. At the time when I was in charge of the destinies of Cambodia, I deliberately pursued a policy of aid and friendship toward them. As you know, I greatly helped the Vietcong and the North Vietnamese in their struggle against the Americans. That was very carefully calculated. A kind of "patriotic calculation" which made me support the men whose victory over Washington seemed inevitable to me.

Lon Nol had put his money on the Americans; he was wrong, and that is the least one could say. I put my money on the Communists of Hanoi and I was right. I thought as a matter of fact that, by helping, I would win their recognition and thus preserve my country from their "appetite." Every year, on the occasion of Tet, I went to Hanoi. I stayed there several weeks. I discussed the future with the Vietnamese leaders and in the end I developed the deep conviction that those leaders were sincere and that what I just called my "patriotic calculation" was justified.

PW: Are you trying to say that, if you had remained in power, the Vietnamese would not have occupied Cambodia?

NS: You cannot remake history. But, in any case, my profound conviction deep down is this: if Nixon had not supported Lon Nol, the latter would immediately have fallen. I would have come back to power. Because Peking and Hanoi, at the end of 1970, were in agreement to reinstall me at Phnom-Penh at the head of a neutral Cambodia, knowing perfectly well that I would have pursued an equally friendly policy toward China and toward Vietnam. At the time, Peking was still supporting Hanoi against Washington; the Chinese-American honeymoon did not exist at that time. The scheme which I have just drawn for you thus was perfectly practical. This is why I believe that I can say without excessive vanity that my presence at the head of the Cambodian state would have made it possible to prevent the dramatic occupation which my country is now undergoing. Is that what you wanted me to say?

PW: Perfectly, Your Royal Highness. But Indochina is not only Cambodia. Are you thus thinking that your return to head the Cambodian state would also have made it possible to forestall the invasion of South Vietnam and of Laos by the troops of Hanoi?

NS: As for Laos, that is an entirely different case. Because the Pathet Lao had always been enfeoffed to Hanoi. Their victory over the Laotian right and left was a victory of the Vietminh, no more and no less. And the occupation of Laos by the troops of Hanoi in the final analysis only helped finish a development which already existed in the latent state. In other words, Laos had given up its independence to the benefit of the Vietnamese even before having been occupied by them. How can one compare this situation to the situation of Cambodia where the Khmer Rouge--regardless of their faults--have always been extremely independent with respect to Hanoi? I might add that Laotian and South Vietnamese emigration is very strong whereas the Cambodians remained rooted to their soil and desperately hold on to their land to resist the invader from Hanoi. No, really, there is nothing in common between the situation of Cambodia, on the one hand, and the situation of Laos and South Vietnam, on the other hand.

PW: If you would, let us please go back to my initial question, after this little side-trip. Do you get the feeling that the North Vietnamese leaders want to destabilize Thailand?

NS: As you know, the Vietnamese are gluttons but they are clear-headed. They know that their digestive capacities are not endless. This is why, in my opinion, they will completely try to absorb that undigested food represented by Cambodia before they attack Thailand. And that will take them many long years. Besides, the leaders in Hanoi are perfectly clear on the risk which they would be facing in invading Thai territory. They know that they would run into the same difficulties that Napoleon and Hitler encountered in Russia. They also know that the United States and the entire free world are behind Thailand. Finally, they know that Ronald Reagan has nothing in common with Jimmy Carter, the Soft, and that the man in the White House now is a man who would not fail to react if the regime in Bangkok were to have to yield under the blows of Vietminh imperialism. Because, then, it would soon be the turn of Singapore and the other Southeast Asian countries. Even Australia and New Zealand would no longer feel safe. And that obviously is not acceptable to Washington. But there is another obstacle to a possible destabilization of Thailand.

PW: Which?

NS: I am getting to that. In Thailand they have a communism which is fighting against the Bangkok regime. Now, that communism does not belong to the Moscow-Hanoi church but to the Peking church. That would also complicate the task of the North Vietnamese. Do not forget either that the soldiers of Hanoi, by invading Thailand, could not present themselves as the "liberators" where this is precisely the role which they assigned themselves by penetrating into Cambodia. Here is the trouble: in Thailand, there are no Khmer Rouge, there is no Pol Pot, there is no hated faction to be eliminated with the approval of the local population!

PW: Did not the Hanoi leaders nevertheless try to introduce a "fifth column" in Thailand?

NS: Yes, you are absolutely right. Today, in Laos, the occupiers from Hanoi are training militants of the Pathet Lao who speak Thai and who infiltrate Thailand. What makes the whole thing even easier is the fact that there are several million

citizens of Laotian origin in Thailand. There are more Laotians in Thailand than in Laos itself. And among those Thais of Laotian origin, there is obviously a very large number who are in favor of the Pathet Lao, in other words, of Hanoi and, indirectly, Moscow. In summary, I believe that the North Vietnamese leaders will eventually try to destabilize Thailand only after that country has been undermined from the interior by the "fifth column" we just talked about. But that is not something for tomorrow.

PW: That brings us to the Soviets. In your opinion, what is the degree of autonomy of the North Vietnamese with respect to the masters in the Kremlin? Are they not just the docile and servile puppets of Moscow?

NS: Not at all. The Vietnamese are extremely independent people. They are much more the accomplices of the Soviets, rather than their employees. The Russian will never get to be the boss of the Vietnamese. But it so happens that, for the time being, the objectives of the Russians and those of the Vietnamese coincide; both of them are concerned with blocking the way of Washington and Peking. It is as simple as all that.

PW: Simple--and dangerous.

NS: Very dangerous. Because the Russians, as you know, are extremely "present" in Indochina. Not only in Vietnam, where they are using the former American bases, but also in Cambodia. Why does nobody ever talk about the land, air, and even naval bases which the Soviets are building on Khmer territory?

PW: Do you believe that this "association of troublemakers" between Hanoi and Moscow will last a long time or do you expect, on the contrary, a reversal of alliances in the region?

NS: In my opinion, it will last for as long as the alternate solutions appear terribly chancy. Why, as a matter of fact, did the Vietnamese ally themselves with Washington? The Americans promised some "carrots" to the masters in Hanoi in case they agreed to be more cautious. But it was not in their interest to be cautious. Why did they renounce Cambodia and Laos? Moreover, there was never really anything between Washington and the Vietnamese communists. Let us therefore, if you will, drop the American option.

That leaves us with China. I do not very much believe in that hypothesis either. First of all, because China has a common border with Vietnam and because the proximity of such a powerful neighbor can only cause "frictions." Next, because there is strong racial opposition between the Chinese and the Vietnamese. The Westerners do not clearly perceive this aspect of the problem although it is essential. I would even say that, for the Vietnamese, it is easier to love the Russians than the Chinese.

PW: Let us go further. Do you not think that there are objective reasons which persuade the Russians and the Chinese not to want to settle the Cambodian problem? The Russians as a matter of fact are "exploiting" the war in Cambodia to keep Indochina tied to them; as for the Chinese, they use that conflict to denounce Vietnamese-Soviet expansionism.

NS: It is always difficult precisely to evaluate the dose of cynicism of the Big Powers. But in any case, even if the war in Cambodia objectively played into the hands of the USSR and China, this does not mean that Peking and Moscow are thinking of moving closer together. My conviction as to that became stronger with each of my long sojourns in Peking. As far as I am concerned, I never met a single Chinese who does not viscerally detest the Russians. Just as much as the Chinese have a natural inclination to love the Americans (I saw that for myself during Nixon's visit to Peking and that by the way made me very angry), so do they hate the Russians, just as much. This is a deep feeling which we would be wrong to underestimate.

PW: Do you believe thus in the perennial nature of the antagonism between Moscow and Peking?

NS: You know, I may be wrong, as I was wrong regarding Hanoi's expansionism. But, in all sincerity, I do not believe in reconciliation between Moscow and Peking. Once again, I am not thinking that the Chinese would ever manage to overcome their hatred of the Russians.

PW: Let us nevertheless image that Chinese-Soviet hostility is not irreparable. Do you get the feeling that such a rapprochement between Moscow and Peking would help the settlement of the Cambodian conflict?

NS: Yes, that is my feeling. Because if there were to be a compromise between the two giants, it would take place necessarily to the detriment of North Vietnam, whereas Cambodia could then enjoy a status of neutrality. It would move beyond the reach of the Khmer Rouge, supported by Peking, and the hold of Heng Samrin, who is manipulated by Hanoi and the Kremlin. But in this respect I would like to confide to you a little secret.

PW: I am all ears.

NS: Well, here it is. I often talked about these prospects with my best friend, the North Korean President Kim Il Sung (I am saying that he is my best friend because he is the only one who did not make his support for my cause to depend on this or that condition; the Chinese on the other hand spent their time trying to "sign me up" side by side with the Khmer Rouge). Now, listing the various ways to settle the Cambodian problem, I told him the following, in general terms: "Mr President," I told him, "you are a communist and you manage to maintain good relations with Peking, without the USSR taking umbrage--why did you not intervene in this affair? Why are you not using your position as an arbiter between the churches of Peking and Moscow to try to settle the problem of Cambodia which precisely is the crossroads at which these three churches face each other? In a word: why do you not propose to the Soviets, to the Chinese, to the representatives of Heng Samrin, and to those of Pol Pot, to meet in Pyongyang, under your chairmanship, in order to end the sufferings of the Khmer people?"

PW: In other words, a conference attended exclusively by communists.

NS: Yes, of course. It is much easier for a communist to make other communists understand that any quarrel between communists is necessarily counterproductive!

Kim Il Sung thus could have proposed that a realistic compromise be worked out: a neutral Cambodia, directed by a national reconciliation government which would have brought about coexistence between a pro-Chinese wing, a pro-Soviet wing, and, in the middle, a chief of state who controlled the whole thing.

PW: You, my Lord?

NS: Yes, I. In any case, for a provisional period of time.

PW: Your suggestion apparently was not received with enthusiasm.

NS: For the simple reason that Kim Il Sung, who is not so young any more, did not want to commit himself to so complex an undertaking. His essential concern as a matter of fact is the reunification of the two Koreas and he wants to devote his best energy to this historical task and to it alone. I can certainly understand that.

PW: So, what to do now? How can one help you? Because China would like to tie you to the Khmer Rouge and the USSR is hostile to you, is there any hope from the Americans now?

NS: I told the Americans that they should help me establish a big Sihanoukist army --which would have been easy, considering the extraordinary popularity I retain in Cambodia. A big army intended not to crush the Vietnamese occupiers (which is impossible) but at least to make their life unbearable. Unfortunately, they did not listen to me. During the term of Jimmy Carter, I went to Washington. I talked to the people in the State Department and I tried to make them understand that their interest and my interest coincide henceforth. But--I repeat--they gave me to understand that my mission was useless and that America, by giving me assistance, would be committing a kind of political suicide.

PW: Jimmy Carter--and everybody knows that--never stood out by virtue of his political lucidity. But what about Ronald Reagan? Do you have any contacts with his administration?

NS: None, except through Intam, the former premier of the Khmer Republic; he participated in the coup directed against me in March 1970; later on he again became a Sihanoukist. Well, if I am to believe Intam, there is nothing to be expected either from Ronald Reagan.

PW: Whom are the Americans putting their money on in Cambodia? What is their "card" --if you allow me to use that expression?

NS: It is a very sad thing to say but their "card" is the Khmer Rouge army. The men who are in power in Washington think that only the soldiers of Pol Pot are capable of making the Vietnamese retreat.

PW: Do you not think that the Europeans could help give the "Sihanouk card" credibility?

NS: Undoubtedly. But that would not be easy because I must say that many of them, in the foreign offices, did not help me much. First of all, because my backbone is not flexible enough; and then because I do not shoot my mouth off easily and have no susceptibilities whatsoever; finally, because I happen to be proud and sometimes even haughty. You know, people above all appreciate those who flatter them, polished, neat, and courteous people. This is why Son Sann¹ is so appreciated today. The Anglo-Saxons call him "Mr Clean." And, after that, what? In spite of his niceness Son Sann does not have the charisma that would enable him to electrify the masses, to rally them around his name and to get things moving again. People are beginning to realize that now. I might add that the Cambodian intellectuals, who are in exile in Paris or elsewhere, too often present a distorted image of what I continue to represent for my people. Now, these intellectuals are uprooted individuals who no longer have any contact with the real situation in Cambodia and who stupidly and gratuitously keep demanding: "Take Son Sann, take even the Khmer Rouge, but above all, do not take Sihanouk!" How, under these conditions, could you expect the Europeans not to wind up considering me a plague?

PW: Would you nevertheless go so far as to say that the problem of Cambodia is best understood by the French now that Francois Mitterrand is in Elysee Palace?

NS: As you know, I was received by Mr Cheysson whom I found extremely receptive. Your foreign relations minister even told me that Mitterrandian France was dreaming of serving the cause of Cambodia. Of course, the French government could not take the risk of exposing itself too much by playing the "Sihanouk card"; but, overall, the France of Mitterrand does not seem to me to be any more inclined to help us than the France of Giscard. I had proof of that during my last meeting with Jean Francois-Poncet under the presidency of V.G.E. [Valery Giscard d'Estaing]. Claude Cheysson's predecessor at that time first of all warned me and asked me please not to undertake anything from French territory which could alter French-Soviet or French-Vietnamese relations. For example, recruiting an anti-Hanoi army. That, you will agree, was a rather disappointing beginning! I must admit that the socialist France of Francois Mitterrand, in spite of the inclusion in the administration of communist ministers lined up with Moscow--no matter how profound my aversion to communism in all of its forms may be--seems less inclined to go along with the Kremlin and its allies than the France of Giscard.

PW: But are you not afraid that the influence of these communist ministers in the end would confuse our perception of the real situation in Indochina? After all, in reading L'HUMANITE, we can see that the PCF [French Communist Party] continues to deny any Vietnamese expansionism and keeps on analyzing the painful events experienced by Southeast Asia as just so much fallout from "French colonialism" and from "American imperialism!"

NS: French colonialism, that poor chap, has absolutely nothing to do with our difficulties! As I just indicated to you, Claude Cheysson is dreaming of "rendering a service" to Cambodia; but we are dreaming of the French colonialism of the good old days! And when we compare it to the current situation, that colonialism inspires us with nostalgia. I am--I believe--very well placed to talk about this because I fought against it at that time. But everything is relative. To answer your question clearly, I would simply say this: who still takes L'HUMANITE seriously, including among the members of the PCF? As for Georges Marchais, he is really funny!

PW: Since we are making judgments on individuals, I would like you to tell me who, in your eyes, are the European political leaders who best understood the Indo-chinese problem in general and the Cambodian problem in particular?

NS: I really respect only two men: General de Gaulle, whose speech at Phnom Penh was entirely prophetic, and Pierre Mendes-France who thanks to the 1954 Geneva Conference gave us several years of peace.

PW: And what about the American politicians?

NS: Nobody. There is not a single American who understands Cambodia. Except perhaps for Mike Mansfield who is currently ambassador to Japan. I am sorry he did not continue to remain a senator because in that job he could have continued to render us infinitely more services than by displaying his diplomatic competence in Tokyo. Mansfield was always one of the few men to maintain that Washington must not abandon Sihanouk. Is that not a sign of extreme lucidity?

PW: Let us get back to the specific problem of Cambodia. Under what conditions would you agree to take over at the head of a broadened front? Furthermore, if this were to materialize, do you think that such a front should include the Khmer Rouge or that, on the contrary, it should isolate them? In short, facing an apparent situation of deadlock, what would you suggest to give peace in Indochina some chance, even a minimum chance?

NS: You are quite right in asking me this question because--as I just reminded you--so far our attempts have not been fruitful; neither Kim Il Sung, nor the Americans, nor the Chinese have constructively responded to our appeals. We must therefore find something else and explore all possibilities--as a matter of fact, there are three of them--which are available to us. And when I say "us," I am obviously talking about the Cambodian people.

First of all, we can dream of a "Third Force," a sacred union movement rallying all Cambodian nationalists (the partisans of Sihanouk and of Son Sann)² and excluding, on the one hand, the Khmer Rouge, and, on the other hand, the "nazi-style governors" of the Soviet-Vietnamese. By that I mean the men of Heng Samrin, the puppets who are in power in Phnom Penh. It goes without saying that, to be really effective, this Third Force would have to be aided militarily by the United States because China in all probability would continue to arm and finance Pol Pot and his friends.

I must say that this scheme becomes all the more critical as the Khmer Rouge, within the next 2 years, will see their international legitimacy eroded. In particular at the UN, where they still, as you know, hold the seat for Kampuchea.

Out in the field, we thus have two distinct forces: the force of Pol Pot and our force, fighting parallel against the Vietminh invader.

PW: Does that mean that a victory over the forces of Hanoi seems possible to you?

NS: Frankly, no. The Vietnamese, who have managed to defeat powerful America, are not parade-ground soldiers. And Washington knows that only too well. If

the scheme I just talked to you about should materialize, its international impact would be such that the leaders of Hanoi and the Kremlin would probably be forced to participate in a conference of the Geneva 1954 type. This is precisely what we want. Perhaps Mendes-France—who gave us every opportunity—could symbolically sponsor such a conference.

PW: Why not, as a matter of fact? But, Your Royal Highness, let us take up the second possibility which also seems to you to be capable of getting the situation moving again.

NS: The second option appears much more repugnant to me but we must also contemplate it because that is what Washington and Peking want and I do not know how completely to reconcile the desires of those two giants. This would involve setting up an enlarged front, this time consisting of the Cambodian nationalists and the Khmer Rouge. On that assumption, the United Front and the coalition government which would see the day would no longer be two-headed with the Sihanoukists and the Son Sannians—but three-headed since they would make room for the friends of Messrs Pol Pot and Khieu Samphan³. The only trouble is this: this simply would not fly. First of all because the Khmer Rouges, who feel that they have things going their way and who are gaining ground with every passing day, do not want to yield anything to Sihanouk and Son Sann. Khieu Samphan even wrote to me recently to let me know that he did not have the slightest intention of meeting me and that the idea of a possible coalition with me was totally out of the question! As for Son Sann, I received him here, at Mougins, early in August; he came to see me under pressure from the United States, from ASEAN, and some other countries, but the political result of our meeting was not much to write home about. Son Sann wants to build a coalition including his own supporters and the Khmer Rouge but without Sihanouk or rather with the distant support of Sihanouk but not with his participation. This is not very realistic, is it not?

Besides, Son Sann and the Khmer Rouge do not even manage to understand each other. They disagree already on the distribution of powers and authority within a future government. Son Sann wants to distribute jobs as he pleases and moreover demands that the Khmer Rouge chieftains—Pol Pot and a few other executioners of the Cambodian people—immediately go into exile in Peking or somewhere else. So you see, in moral terms, Son Sann is rather right; but in practical terms he is not! How would you, under these conditions, have the Khmer Rouge, Son Sann, and me get together to lay the foundations for a tripartite coalition? That is chimeric.

PW: I agree, this is not very simple. But does that mean that this tripartite union project is definitely out?

NS: In theory, it could work, Provided, however, it follows two simple principles:

- (1) Creation of a united tripartite front with a president who would be Sihanouk and who would also be the chief of state (but a purely "honorary" chief of state);
- (2) Establishment of a likewise tripartite government in which the portfolios and responsibilities would be equally distributed and whose premier would be Son Sann.

PW: And what would become of the Khmer Rouges in this nice little structure?

NS: Well, I repeat, they would 33 percent of the ministerial posts. And Khieu Samphan, for example, could become vice premier or vice president of the republic.

PW: In all sincerity, you do not very much believe in that possibility.

NS: That is true, except if the Chinese, the Americans, and ASEAN put pressure on Khieu Samphan and Son Sann.

PW: You just mentioned to me three schemes. Now, if I am not mistaken, so far you have only mentioned the first two.

NS: The third scheme is not a particularly happy one either. But I must mention it to complete our conversation. Since Son Sann is with each passing day losing a little bit of his credibility and since his money suppliers are beginning to become aware of his ineffectiveness, some people certainly might advance the following suggestions: Sihanouk for president of a Khmer Rouge state.

PW: Indeed, a two-way alliance between you and the supporters of Pol Pot? In other words, without Son Sann.

NS: You understood me perfectly well. But I must tell you that, in this case, my people would very probably condemn me. And this would take place in spite of the capital of popularity I still have in Cambodia. This is why the idea of a three-way front seems preferable to me.

PW: Would your most loyal followers agree to a real get-together between Sihanouk and Pol Pot?

NS: Well, they would not be happy, that is obvious. But it so happens that some of them are increasingly forgetting the atrocities committed by the Khmer Rouge and, looking at the do-nothing attitude of Son Sann, they push me into going forward and sacrificing everything for the liberation of our fatherland.

Moreover, if I were to accept this type of two-headed alliance, the risk of having some day watch the Vietminh grab the seat of Democratic Kampuchea in the UN would definitely disappear. That would certainly be worth something.

PW: Pardon me for being so direct, but how could you hope to "throw your weight around" in facing the Khmer Rouge in such an unequal alliance?

NS: You know, I do not at all believe that the Khmer Rouge could ever again become the absolute masters of Cambodia. Not because of the "Sihanouk obstacle" but more simply because I do not see how the Vietminh could be defeated in the field. Consequently, asking whether Sihanouk "would be able to throw his weight around" in dealing with his Khmer Rouge allies after a common victory over the Vietnamese troops is something like a school hypothesis!

One thing is clear and that is that Hanoi would never agree to have the supporters of Pol Pot come back to power. For an evident reason: that would mean that Cambodia

has once again become a satellite of China. The truth is that, if the Vietnamese, in support of a political compromise, were to find themselves forced to evacuate my country partly, they would nevertheless continue to exercise their influence in it. As a matter of fact, at best, the Khmer Rouge and the Sihanouk supporters could only weaken the Vietnamese army, not defeat it. Under these conditions, why would you want the leaders of Hanoi to drop the idea of dictating the terms of a compromise which would be favorable for them?

PW: If I understand you well, you think that the idea of a totally independent Cambodia is a thing of the past.

NS: I am afraid so. At best, the destiny of Cambodia is delivered up to the double influence of Vietnam and the Pol-Potians. Or, if you prefer, that of the Soviet-Vietnamese, on the one hand, and the Chinese, on the other hand.

PW: All of this is not particularly encouraging. Is there not some political or military circumstance that could make it possible completely to relieve the Cambodians of the presence and influence of the Vietnamese?

NS: Think of the example of the Negus. He was exiled; he had lost everything and still World War II and the defeat of Italy offered him an opportunity to come back to power and to restore an independent state. After having expressed my pessimism or realism, I must confess that nothing in life is ever definitely lost. Irreversibility is only a matter of dreams.

PW: Your thinking is beautiful and deep. But you are not thinking that only a major conflagration could bring us an independent and sovereign Cambodia! You are not wishing for a third world war!

NS: That is not my wish quite obviously. But what have we to lose--those of us who have lost everything?

PW: In your opinion, should one estimate the liberation of Cambodia in a matter of years or decades?

NS: Why talk in terms of the calendar? I am happy to dream of a planetary Yalta between the three big powers, a kind of reshuffling of the cards which at last would offer my people a chance to breathe more freely.

FOOTNOTES

1. Son Sann, president of the FNLPK (National Liberation Front of the Khmer People).
2. In this setup, Norodom Sihanouk would be a protocolary head of state and Son Sann would be premier.
3. Khmer Rouge premier.

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CSO:4200/11

COURT REVEALS OFFENSES COMMITTED BY REPATRIATED THAIS

Vientiane VIENTIANE MAI in Lao 3 Sep 81 pp 2, 4

['Talking Together' Column: "A just Policy" by S. Thip Thiangchan]

[Text] On 27 August 1981 the Vientiane People's Court deported 26 Thais who had committed offenses. Each one was arrested in Vientiane Province but for different crimes. But from the completed investigation and the confessions of the defendants themselves all had violated the laws of the LPDR in four ways:

1. Entered the country illegally
2. Disrupted the peace and safety of the Lao people and committed petty theft
3. Sought to induce Lao people to flee their country
4. Smuggled goods into the LPDR

The shameless arrogance of the defendants demonstrates their intention to destroy the peace and safety of the Lao people, wreck the Lao national economy and serve the schemes of the imperialists, the international reactionary forces, and the extreme right reactionaries in the Thai power circles.

On the subject of the offenses of this evil group, legally speaking, they should be imprisoned from 1 to 3 years and fined 3,000 to 5,000 kip apiece. Although they violated the LPDR laws under the just policy of the LPDR party and government they are pardoned from the penalty of prison and fine. The Vientiane Province People's Court decided only to expel them from the LPDR to their country of origin. Nong Inthavong, who spoke at the repatriation proceedings, said "The 26 Thais have violated the laws of the LPDR, and disrupted the economy and political situation in Vientiane Province in many ways. Because of their deeds, they were arrested by the Lao people and public security officials, investigated, arraigned in court and tried under the nation's laws. After the court trial and confessions, it was evident that the group had indeed violated the regulations and laws of the LPDR. To pursue the LPDR government policy of equality in its fraternal neighborly relations with Thailand, and a humane policy, the Vientiane Province Court gave the verdict of expulsion from the LPDR with no payment of fine."

This action of the Vientiane Province Court was entirely proper because it is in harmony with the policy of justice of the party and government and the will of the Lao-Thai people who have had a friendly relationship since ancient times. It also shows clearly the humanity of our government, even in the policy of pardoning those who are misled, regardless of their being aliens with evil intentions against us.

In a policy of justice and friendship toward close neighbors of the LPDR, at all times our government and people have acted fairly but our enemies are the international reactionary imperialists and all other reactionary powers. They have never respected [us]. On the contrary, they have used every strategy to destroy our new regime in many ways, so it is in the case of the Thai mentioned above. This proved clearly that all these actions were a plan of deceit to destroy our new regime according to the insane intentions of the Chinese great-nation expansionist hegemonists, who conspire with the American imperialists to use the extreme right reactionaries in Thailand using bad Thais as their tools. They coordinate and participate with the Lao exiled reactionaries, who have military bases in Thailand, to infiltrate, destroy and threaten us directly, in their work inside our nation. Their intention is to weaken our solidarity and ruin us and then they will swallow our nation according to the last testament of Mao Zedong. Therefore, we must be alert and prepared completely at all times, firmly with every type of national defense force and public security force against all the tricks of the enemy, advancing the growth of the Lao socialist nation for permanent prosperity.

9615

CSO: 4206/4

LABOR UNION FAULTED FOR POOR RECRUITMENT EFFORTS

Vientiane HENG NGAN in Lao 8-15 Jul 81 pp 1, 12

[Excerpt] The expansion of membership in trade unions is a necessary demand. It is the objective of the socialist direction of our party. It is the function that supports the dictatorship of the proletariat. Every nation that is building socialism must make trade unions into a strong force, but this is difficult. This the problem of increasing the membership of the trade unions. We must develop them speedily. Then the working class will unite and expand their rights to mastery of the nation, as the labor force they will carry out the political duties of the party successfully.

The expansion of the rank and file of union membership has occurred in the machine shops, factories, mills, hospitals and vocational schools. Agricultural settlements and other production sections have had union members. Basic union sections have established union committees in many places. Of 100 workers, 50-60 percent are union members. Some units have more. At the same time, publicity for expansion has proceeded well and rapidly. Many new members have been recruited at the same time. All the workers clearly understand the role of the labor union organization. For this reason they have been bold and willing, voluntarily joining the union. Therefore, at present the rank and file of union members has expanded quite adequately. However, this is an initial expansion and we view the need here, and it is not adequate. We must improve many facets of our understanding and knowledge on this question of growth. We believe that it is a weakness that we must look at and seek methods of solution. Before all else we must understand that the trade union is a mass organization to rally social classes of the unions and working people. If we do not all unite, the workers who love their country and the new socialist regime may not want to become trade members. We do not yet know essence of and have not yet firmly grasped the role of the trade union organization. Addressing the workers who have not yet become union members, they have not showed responsibility toward their social class, that is, the workers. We need to correct this quickly. We must correct the lack of awareness. In some places recruitment of union members in a whole year has not reached ten persons. Expanding any area is making a serious choice. Workers who recognize the role of the union and sent in written applications for membership months ago, have not yet been recruited. Worse still, in some production bases hundreds of workers have applied for union membership, but [only] three or five persons are accepted each time. Some people have not applied again. Some places have hundreds of workers but the cadres and union members do not pay attention to mobilization propaganda to induce them to be aware and become union members. They are left outside the organization of the workers' social class. They have not received the instruction and the tempering from the union organization, which is established to unite the workers' social class as a school for the new socialist Lao people.

BRIEFS

PHIANG DISTRICT POPULATION--Phiang District is one of the seven districts of Sayaboury Province. This district is 30 km southwest of Sayaboury. It has a total population of 19,716. There are 3,381 households, 68 villages, and 5 cantons. [Excerpt] [Vientiane SIANG PASASON in Lao 27 Aug 81 p 3] 9615

SAVANNAKHET POPULATION--Savannakhet Province has 7 districts, 110 cantons, 1,390 villages, and 459,000 people. [Excerpt] [Vientiane SIANG PASASON in Lao 1 Sep 81 p 2] 9615

BANK LOANS TO COOPERATIVES--From the beginning of 1981 to the present the Vientiane City-Province Bank sent its credit officers every week to agricultural cooperatives in various areas of Vientiane Province to encourage and advise on methods of applying for loans from the bank, especially those cooperatives that were facing difficulties in capital for use in production. After six months of their operation the Vientiane Province Bank authorized the agricultural cooperatives and various agricultural production sections to borrow 3,733,570 kip. This helped solve the difficult problems of the agricultural cooperatives, such as opening up land, draft power, materials and other necessities used in agricultural production. It also motivated the people in the annual rice cultivation to achieve the estimated goal successfully. [Text] [Vientiane HENG NGAN in lao 15 Jul 81 p 2] 9615

COFFEE FACTORY PRODUCTION--In the first six months of this year the workers in the factory producing powdered coffee, which is under the Vientiane Province Industry and Trade Service, put forth tremendous effort in enthusiastic production. During this period they were able to achieve a production of 6,556 kg of No. 1 coffee, 1,600 kg of No 2 coffee, and 150 kg of special coffee. [Excerpt] [Vientiane HENG NGAN in Lao 1-7 Jul 81 p 2] 9615

CSO: 4206/4

FUJIAN YOUTH CONFERENCE MEETS, URGES COORDINATION OF CHINESE GROUPS

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 9 Aug 81 p 4

[Article: "Fujian Federation Youth Section Delegates Conference Asks the Fujian Federation To Hold a Conference of Chinese Political Parties and Chinese Associations and To Establish a Coordination Council, Establish Minimum Guidelines of Unity, Protect the Rights of Chinese Descendents Together"]

[Text] The Malaysian Fujian Federation Youth Section's Standing Member Delegates Conference today asked the Fujian Federation to call a conference of Chinese political parties and Chinese associations, establish a coordination council, establish minimum guidelines for unity of the Chinese political parties and associations to protect the rights of the Chinese descendents together.

The conference unanimously passed a resolution opposing the 1981 revised law of assembly and asked the government to abolish or revise some unreasonable articles to assure the freedom of assembly and speech by the people under the Constitution.

Support the Fujian Federation Holding Company in the Issuance of Stocks for Purchase by People of Other Native Origins

In addition, the conference also decided to allow the Fujian Federation Holding Company stocks to be purchased by people of other native origins when it discussed the stockholdings of the Fujian Federation and it assigned four delegates of the Fujian Federation Youth Section to participate on the board of the Fujian Federation Holding Company to help promote the stockholdings.

Chairman of the conference, Liu Guiming [0491 2710 2494] said as he mentioned the stockholdings of the Fujian Federation, applications for stocks have already been approved by the Central Bank.

But, he pointed out: The Fujian Federation has been slow in pushing forward the work of the holding company.

Head of the administrative organ of the Fujian Alliance Youth Section, Dato Huang Meicai [7806 5019 2088], believed the Fujian Federation Youth Section should send four delegates to participate in the board meetings of the Fujian Federation Holding Company to inject some life into the organization and to help promote the stockholdings.

The Second Conference of Standing Members of the Second Congress of the Youth Section of the Malaysian Federation of Fujian Organizations was held this morning at 10 am at the auditorium of the Selangor Chinese Independent High School. Chairman Liu Guiming presided over the conference.

The conference had earlier unanimously accepted and passed the agenda and the financial reports of the section.

Deputy section leader of Fujian Federation Youth Section, Zheng Yatong [6774 0068 6639], thanked, in his closing remarks, the Chinese Independent High School principal, Chen Shunfu [7115 7311 4395], for his arrangements and the lunch and dinner honoring the officials of the Fujian Federation.

Resolutions Passed

The following are the resolutions passed by the Second Conference of the Delegates of the Standing Members of the Second Congress of the Fujian Federation Youth Section:

1. Oppose the 1981 revised law of the assembly and request the government to abolish or revise some unreasonable articles to assure the freedom of assembly and speech of the people under the constitution.

2. Social Resolutions

- a. Request the Malaysian Federation of Fujian Organizations to call a meeting of Chinese political parties and Chinese associations, to establish a coordination council which cooperatively would establish minimum guidelines for unity of the political parties and Chinese associations to protect the rights of Chinese descendants.
- b. Urge the police to stop the rampant use of narcotics and strictly prohibit the publication of pornographic materials and the sale of pornographic video tapes.
- c. Urge the government to give equality to all citizens of every race in politics, economy, education and culture, and while helping a certain race to increase its economic status and educational opportunities, the government should not practice favoritism and strip the citizens of other races of their rights.

3. Educational Resolutions

- a. Urge the government to act according to the memorandum proposed by Chinese social, cultural and educational organizations when implementing the 3M plans to assure that the Chinese elementary schools will not change in nature. At the same time, the number of hours of English classes given each week at Chinese schools should not be reduced.
- b. Scholarships Should Be Distributed Fairly and Reasonably to Qualified Poor Students of Each Race
- c. Urge the nation's Chinese compatriots and Chinese organizations to take action by providing materials and economic support to help the development of Chinese

independent high schools, such as sending children to independent high schools to receive education and to hire graduates from independent high schools.

Urge the fair and reasonable distribution of federal government scholarships to qualified poor students of each race.

Summary: According to statistics, in 1979, federal government scholarships were given to 6,958 persons, the natives (bumiputra) constituted 96 percent, the Chinese constituted 3.1 percent, the Indians constituted 0.8 percent, other races constituted 0.1 percent. The above distribution has caused a serious discrepancy.

Urge the Ministry of Education to continue to conduct teacher training classes using Chinese as the intermediate language.

Urge the government to allow our nation's Chinese citizens to have the opportunity to receive complete education in an educational system from elementary school to university in their mother tongue.

4. Cultural Resolutions

a. Urge the Fujian Federation to implement reform of all Chinese traditions and customs that do not suit the times, such as extravagant celebrations of marriage, birthday parties, anniversaries and mourning of the deceased.

b. Urge the government to treat the use of languages of each race equally, such as allowing Chinese to be written on gateways, displays, signs and road signs, and to increase Chinese language television programs, eliminate bad Chinese language radio and television programs.

c. Urge the nation's Chinese associations to encourage members to purchase and read the works of our nation's Chinese authors.

Summary: This is because the works of Malaysian Chinese writers have not received popular support from the Chinese society.

Method: The Fujian Federation should write a letter to the nation's Chinese associations to ask members to enthusiastically support the works of Malaysian Chinese writers.

5. Economic Resolutions

a. Exert all efforts to support the Chinese associations to push forward and organize large enterprises to enter the economic realm and to solidify the economic foundations of the Chinese descendants.

b. Urge the government to give the authority of selling low priced housing to private developers.

Minutes:

Ask the Fujian Federation Youth Section to pay attention to the development of stockholdings of the Fujian Federation.

Summary: Its achievement directly affects the reputation of the compatriots of Fujian.

Urge the Fujian Federation to reserve a fixed number of stocks when soliciting shares for stockholding so that members of each unit subsidiary to the Fujian Federation Youth Section can buy the stocks.

Summary: This is to encourage young compatriots to participate in investing in large enterprises and to elevate the economic status.

Method: The reserved stocks should be promoted by each subsidiary section so that members can purchase the stocks.

Urge the Fujian Federation to appropriate more scholarship loans to help compatriot children to further their education.

Urge the Fujian associations of each state to quickly establish an interstate association committee.

Urge the headquarters association to organize groups to visit the youth sections of each locality to make contact with the compatriots and to promote unity among Chinese.

Urge each subsidiary association to conduct Chinese language classes whenever possible.

Summary: This is to allow compatriots receiving other types of education to participate actively in federation activities.

Speech by Liu Guiming

(Kuala Lumpur, 8 August) Chairman of the Youth Section of the Malaysian Federation of Fujian Organizations Liu Guiming [0491 2710 2494] pointed out: At present, there is still no Chinese organization that truly struggles for the rights of the Chinese society.

He hopes Chinese community leaders will face the seriousness of this problem and come together to map out a strategy.

Liu Guiming spoke at the Second Delegates Conference of the Standing Members of the Second Congress of the Federation this morning.

Liu Guiming said in his speech: "The Fujian Federation Youth Section has been in existence for 4 years now and during this period we have exerted efforts to serve compatriots.

"In recent years, the international situation has been unstable, our nation's leaders have also undergone reorganization. We hope the new prime minister will emphasize the middle road and implement such policies."

He pointed out: "Malaysia was founded 24 years ago. At the beginning of its founding, when the three major races held negotiations at Bireuen, the Malay

delegate proposed many proposals to protect the status of the Ibans, the Chinese delegate at the time did not express the wishes of the broad number of Chinese descendents, and thus the status of the Chinese today is weak.

He said: Special privileges for Muslims have already become facts, we hope other races can also enjoy reasonable treatment.

He said: The Chinese are apathetic about politics, if they don't develop political strength, what they can obtain in this county can be imagined by everyone.

He asked who was to blame for the inability of the Chinese political parties and associations to unite. One side believes support should not be given, the other side says it is a wish but not expressed. Shirking responsibility is not the way, we must find a way to solve the situation.

At Present, There Is No Organization That Can Truly Lead the Chinese To Struggle for Their Rights

In Malaysia at present, there is no organization that can truly lead the Chinese in fighting for their rights.

When the political party cannot truly seek the rights of the Chinese descendents, the Chinese associations should launch activities and the Chinese associations should not shout empty slogans but seek truth from facts and play their own roles.

He said the Fujian Federation has already established a unit. He hopes the Chinese associations can take charge and study strategy together, but the response of the leaders of Chinese associations has not been enthusiastic, proving that everyone does not care about the benefits of the next generation.

He hopes the Chinese associations will stand up to study the difficult situation of the Chinese and seek a breakthrough.

He said, the economy of the Ibans has already been elevated, and the Chinese must correspondingly elevate their economic status in this regard. The Chinese associations care about whether they can reach the goals of the new economic policy by 1990.

He said, in education, those who understand education have exerted all efforts to realize Chinese language education.

He hopes the nation's Chinese associations can also play an active role in Chinese language education.

Speech by Li Yannian [2621 1693 1628]

(Kuala Lumpur, 8 August) President of the Malaysian Federation of Fujian Organizations Tan Sri Li Yannian [2621 1693 1628] pointed out, it is necessary for each Chinese association conscientiously to study the systematization of the associations, including the structure and the goals so that the associations can play an effective role under the new situation.

Tan Sri Li Yannian spoke at the Second Delegates Conference of the Second Congress of the Youth Section of the Malaysian Federation of Fujian Organizations.

He said in his speech: "In recent years, the evolution and the development of Chinese compatriots associations have been very obvious. The participation of the younger generation can be considered as a main thrust. The activities initiated by our Fujian Federation Youth Section including cultural activities and entertainment, sports and panel discussions on social problems are all very significant and are worth praise.

"The Fujian Federation places a lot of hope in the Fujian Federation Youth Section, you are the heirs of the future.

"Viewing the evolution of the Chinese associations we see and feel that the roles played by the younger generation are more important.

"At present, we face a common problem, besides considering how more effectively to express the feelings of the Chinese descendants, we must also consider how to make the associations and compatriot organizations understand, explore or correct the traditional ideologies that do not suit the times, and how to establish a more effective organizational structure and foundation. These are the goals which the younger generation should pursue.

"The Fujian Federation Youth Section and the Yong Federation Youth Section and other national youth organizations have already progressed one step further in mutual communication and cooperation. But, it cannot be denied, we still encounter many difficulties and resistance in seeking greater cooperation and in establishing a foundation for unity.

"The most important thing is, we must be courageous in abandoning the narrow egoistic concept of kinship with one's own group. We must develop an enthusiastic sense of group discipline and greater collective spirit.

"The 58th anniversary of the culture festival held at the Chinese Auditorium is a collective and cooperative effort and a manifestation of the Chinese associations, it is hoped that this spirit can be spread to every corner of the nation."

Conscientiously Explore the Question of Systematization of the Associations so That They Can Play an Effective Role Under the New Situation

"We can see from the implementation of the recent revised law assembly and the reaction of the Chinese associations that coordination between associations is still difficult, therefore, we must explore and develop a plan that can shorten the distance in spirit and in action between the associations. Only in this way can we march toward the goal of unity on the basis of a more healthy spiritual ideology.

"Now, it is necessary for us conscientiously to study the question of systematization of the associations, such as the organizational structure of the associations, the charters and goals and efficacy so that associations can play a truly effective role under the new situation.

"I personally call on intellectuals to propose suggestions or participate in the development of the systematization of associations through collective study."

MCA OFFICIAL ACCUSES ENEMIES OF 'IDEOLOGICAL BANKRUPTCY'

Selangor KIN KWOK DAILY NEWS in Chinese 5 Jul 81 p 3

[Article: "Li Sanchun [2621 0005 2504] Accuses the Enemy of the Malaysian Chinese Association of Struggling on the Verge of Hopelessness and Being Ideologically Bankrupt"]

[Text] Head of the Malaysian Chinese Association (MCA) Dato Li Sanchun [2621 0005 2504] said today: The accusations made by some political enemies of MCA are struggles on the verge of hopelessness, and at the same time, they are already ideologically bankrupt.

Li Sanchun made the above accusation at the 1,000-person banquet held at 6 pm this afternoon to commemorate the 32d anniversary of the founding of the political party by the Pangkor branch of the MCA at the MCA Chinese Alliance School No 1 on Pangkor island.

He said, they only make various accusations because their political schemes of cheating have been seen through by the people. On the other hand, they cannot present to the people a plan of action that is broad in scope and carefully thought out. They are like a group of desperadoes, they are engaged in a death struggle. Let us see if they can create a smoke screen to cover up their lack of action and performance.

He said, many politicians are good at sweet talk and saying things that please others. But, political sweet talk and repeating famous sayings of ancient persons can never solve problems. The problem can only be solved by action and performance.

He said, the MCA welcomes all constructive criticism, but cannot accept malicious criticism with hidden intent. MCA will be criticized by those critics who do not understand the correct reasons of the plans carried out by MCA. On the other hand, some people express criticism because of jealousy. They do not wish to see the plans of the Malaysian Chinese Party achieve success, some people criticize for the sake of criticizing.

He emphasized, the Malaysian Chinese Association is determined to implement the plans and will have the same determination to carry out its political struggle. He hopes all party members strengthen their efforts and confidence to face the coming challenge.

9296

CS0: 4205/17

OFFICIAL URGES CHINESE TO ELIMINATE RACIAL BARRIERS

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 10 Aug 81 p 4

[Article: "Tun Chen Xiuxin [7115 0208 0207] Calls Upon the Chinese To Exert Efforts To Eliminate Racial Barriers, the Chinese Should Regard Themselves as Malaysians From Beginning to End"]

[Text] The government's financial adviser Tun Chen Xiuxin today urged the nation's Chinese to exert efforts to eliminate the barrier of racial segregation to establish a unified nation.

He said, Chinese should regard themselves as Malaysians from beginning to end, otherwise, we will face many serious problems.

Tun Chen Xiuxin is also an honorary chairman of the Malaysian Fujian Federation. He made the above remark as he conducted the opening ceremony of the 2d Delegates Conference of the Standing Members of the 11th Congress of the Fujian Federation today.

He said, the Fujian Federation did not catch up with the changes of the times and face the challenge of the times.

He believed, the Fujian Federation must consider ways to communicate with non-Chinese organizations, and thus promote harmony between races and at the same time help in some major social plans to prove that it can catch up with the times.

He said, "The present situation has fundamentally changed. We call ourselves Malaysians. We want the rights that a citizen should enjoy, and we have also performed our duties for the country, and in a multiracial society, besides our leaders, every citizen who can think, should have the will to eliminate the obstacles that favor racial segregation to realize a united country. I, of course, believe this is not possible in a short time, but this does not mean we should not exert all efforts to realize it.

"I want to make a personal proposal. I believe in this country, we should have a special organization to take care of those women and children who are being mistreated and beaten. I have talked with several friends, they are all prepared to support this endeavor. I hope the Fujian Federation can also conscientiously consider and support this plan.

Dr Tan Sri Li Yannian Believes the Fujian Federation Should Become a Political Organization

Chairman of the Malaysian Federation of Fujian Organizations, Dr Tan Sri Li Yannian [2621 1693 1628], also spoke at the conference. He said, to adapt to the needs of the times and organizational efficiency, social organizations and compatriot organizations must march towards a system of specialization.

He believed, if the social organizations and compatriot organizations emphasize the establishment of a scientific organizational foundation and management system, they will be able to develop greater strength and make greater contributions.

He also mentioned the 1981 revised law of assembly, and he believed the subordinate associations of the Fujian Federation should take unified steps regarding this question. He said, according to the stipulations of this law, it is firmly established that an organization can only continue to play a meaningful role as a compatriot organization if it becomes a political organization, therefore, the Fujian Federation has no other choice, but it is not necessary to rush things.

"Over the past year, the Fujian Federation has promoted the establishment of the 'Fujian Federation Holding Company Ltd' in addition to the activities of providing scholarship loans and literary scholarship awards. We hope officially to solicit shares starting from 1 September, and at the same time send delegates to visit the subordinate organizations at each locality.

"Talking about the revised law of assembly, we basically cannot agree with the stipulations governing civic organizations. Our stand is that compatriot organizations should also have the right to continue to play the role of expressing the sentiments of Chinese descendents. If only political associations can play this role, then we have no other choice. At the present stage, we agree with the opinions and stand expressed at the Selangor Chinese Auditorium.

As regards the resolution to promote the establishment of a general umbrella organization of Chinese organizations resolved at the last conference, the Fujian Federation's special group has made contact and carried out discussion with delegates of other national organizations several times. Because the subject involves a very broad scope and is very complex, and the Chinese associations of each state have also played a related role, further contacts and discussions are necessary.

"The evolution of Chinese associations and compatriot organizations has entered a new situation. The new social environment, challenge and pressure have forced the Chinese organizations to make corresponding changes, in spirit, in organization or in action. How to establish a more effective foundation and a system is worth exploring and consideration. Therefore, now is the time to try to establish modernized social and compatriot organizations.

"The organizational structure of social and compatriot organizations include the charter, purpose and effectiveness of their activities. They should be reviewed and appropriately adjusted on an overall basis, and the foundation of the activities of compatriot organizations should be further systematized. We cannot use the traditional methods to handle the organization and activities of compatriot

organizations. We must try to establish a new value concept and an organizational system.

"If the social organizations and compatriot organizations can develop systematically, they will demonstrate the determination and progress of the entire Chinese community in seeking to play an active and constructive role.

"We hope the leaders and intellectuals of the whole nation's organizations and compatriot organizations can cooperate to exert efforts in this regard.

"Of equal importance is that the existence of various types of social organizations and compatriot organizations should not continue or encourage the sentiment of 'one's own group egoism.' Everyone should cooperate and support each other, regardless of whether it is direct or indirect participation in such activities.

"Only in this way can we more effectively participate in the main stream of national and social development, whether in social and cultural or economic construction.

"At present, the Chinese society holds different opinions regarding how to seek a foundation for cooperation and unity, there is continuous debate. The important thing is: If we emphasize community discipline and the common benefits of the Chinese, we have no reason to believe that we cannot be united, and we should not willfully or unintentionally create or fall into schism. Regardless of whether it is in politics or social activities, infighting cannot solve problems. We must abide by the democratic spirit and procedure and place the national benefits above all else.

"Prime Minister Mahathir Mohamad recently called upon the people of the nation to treat each race fairly on the occasion of the Lesser Bairam festival, and at the same time, the government also made a similar assurance. We welcome and support such statements. We hope that the new cabinet under the leadership of the prime minister can carry out just policies, so that the nation will become prosperous and so that the policies will benefit all the people."

Earlier, general manager of the Fujian Federation, Huang Maotong [7806 5399 2717], expressed the hope that the compatriots will be humble and join forces to develop the business of the federation together to benefit the compatriots and to contribute toward social cooperation in the country in his welcoming remarks.

Resolutions Passed by the Conference

The conference passed the following resolutions:

1. Social Resolutions

a. Oppose the 1981 revised law of assembly, and request the government to abolish or revise some unreasonable articles to assure the freedom of assembly and speech of the people under the Constitution.

b. This conference believes that under the stipulations of the revised law of social assembly, it is definite that only by becoming a political organization can

an organization more effectively play an active role of a compatriot organization, but compatriot organizations should not rush into the matter. The conference asks members of each subsidiary association to prepare charters for each subsidiary association to follow and to play an active role as a compatriot organization under the new situation.

c. Urge the government to strictly prohibit political persons (especially ministers or vice ministers) from making radical statements that are harmful to the unity of the whole people, such as the series of ridiculous advocacies recently made public by the head of the UMNO [United Malay's National Organization] Youth Section, Su Haimi [5685 3189 4717].

d. Urge the government to prohibit and handle immigration of illegal aliens to avoid affecting domestic security and destroying social peace.

e. Urge the government to give equal status to all races in politics, economy, education and culture, and while helping to enhance the economic status and the educational opportunities of a certain race, it should not practice favoritism and strip the rights of the people of other races.

f. Urge the Chinese political parties immediately to stop mutual attacks, if this continues, they will not be able to struggle for the rights of the Chinese, but will gradually weaken the status of the Chinese.

2. Educational Resolutions

a. Urge the government to act according to the memorandum proposed by the Chinese social, cultural and educational organizations when implementing the 3M plans to assure that the Chinese elementary schools will not change in nature and to give fair financial assistance in all aspects.

b. Urge the government to appropriate educational funds proportionally according to the ratio of the number of students under the Fourth Malaysian Development Plan.

c. Urge the government to allow our nation's Chinese citizens to have the opportunity to receive complete education from elementary school to university in their mother tongue.

d. Urge the Ministry of Education to conduct a national Chinese elementary school teachers' "Chinese educational method research class" to elevate the teaching caliber.

Business of the Federation

Stockholdings of the Fujian Federation should be carried out as early as possible to suit and help elevate the economic development of the Chinese society.

The method of distribution of stockholdings of the Fujian Federation should be based on issuing stock purchasing applications according to the number of members of the subordinate associations of the Fujian Federation to let each member have an equal opportunity to participate and to show fairness.

Urge the Fujian Federation Holding Company to appropriate a proportion of the annual profits for university scholarship loan fund for dependents of members.

3. Economic Resolutions

- a. Urge the housing minister to announce quickly the list of legal housing development firms in the newspapers to prevent house buyers from being cheated by illegal housing development bureaus.
- b. Urge the government to avoid procurement of the rubber plantations of small plantation owners, and appropriate houses and land for people to apply for them.
- c. Urge the government to protect free enterprises in fair domestic competition and protect the democratic economic system of free investment.

4. Cultural Resolutions

- a. Urge the government to order local officials not to limit the use of languages.
- b. Request the Ministry of Information to increase the number of Chinese language television programs, including Chinese language weather reports, and to add Chinese language announcements at all airports in this state.

5. Other Resolutions

- a. Urge the government to bestow quickly the rights of citizenship upon all residents holding red certificates who have lived in this state for 20 years, and simplify the application procedure to strengthen the citizen's sense of homeland so that they may demonstrate their patriotism.

The conference also passed a resolution thanking the Selangor Fujian Association for sponsoring this conference and at the same time to thank the Chinese Independent High School for making available its auditorium for the conference.

The conference also decided to hold the first delegates conference of the 12th congress at Kuantan to coordinate with the 60th anniversary of related subsidiary associations. The date of the next conference will be discussed separately by the federation and subsidiary associations.

9296

CSO: 4205/17

LIN JIXIANG CITES RACIAL POLARIZATION AS 'GREATEST PROBLEM'

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 19 Jul 81 p 12

[Article: "Lin Jixiang [2651 0679 4382] Believes That During the 1980's in Our Nation, Racial Polarization Is the Greatest Problem, If It Is Not Stopped, All Efforts of Founding the Nation Will Have Been Wasted"]

[Text] Leader of the opposition party of the Parliament, secretary general of the Democratic Action Party [DAP] and parliamentary delegate from Petaling, Lin Jixiang [2651 0679 4382], said in his speech "Urban Politics in Malaysia" at last night's meeting of the Malaysian Economic Council at the University of Malaysia that racial polarization is the greatest problem for Malaysia in the 1980's.

He said, this week, Prime Minister Datuk Hussein Onn has retired and Dr Mahathir Mohamed has succeeded him and become our nation's fourth prime minister. Bestowing the title of "tun" upon Datuk Hussein Onn is very appropriate, it can be said that he deserves the title, and this title also suits him.

He believes, the greatest problem facing Malaysia in the 1980's is racial polarization, if this is not stopped, then the efforts of the nation will be wasted.

Lin said yesterday he paid Dr Mahathir a courtesy visit, he congratulated him on his succession to the prime ministership, and he also took the opportunity to express concern about racial polarization in our nation.

"Racial polarization is most visible in urban regions, because there is direct face to face competition in many fields, such as educational opportunities, jobs and other common resources, it seems that all are being measured according to racial criteria.

"The founding of Malaysia as a nation may be the world's most complex task and it is not possible to achieve this within a short time. But we must weaken family ties and strengthen the concept of national unity of every race of our country.

"To promote a national concept, each racial society must walk away from their own world and establish a common Malaysia.

"Otherwise, racial polarization will become more serious, each racial society will unite within its own race, more like a member.

"I hope the new prime minister, Dr Mahathir and the deputy prime minister, Dato Musa Hitam, can pay special attention to the serious concerns of racial polarization because it affects the life of each sector of the nation, such as the economy, education, society, culture and even politics.

"Every Malaysian, regardless of race, hopes Malaysia will succeed, and a test of the political leaders is to see whether they are capable of promoting friendly relationships among the races in order to establish a united, peaceful, progressive and prosperous Malaysia, and they should not allow the races in Malaysia to segregate.

"As long as racial polarization still does not slow down, as long as racial and family ties are stronger than the ties among Malaysians, political consciousness and development will be misinterpreted because:

1. It will propagate the saying that the gain of one segment of society will necessarily sacrifice another segment, leading to the radicalism of Su Haimi [5685 3189 4717] aimed at controlling the economic development of non-Malays.
2. It will prevent the development of benefits for each social stratum, such as the poor and homeless, [and those suffering] social and economic exploitation, without differentiating among the races.
3. It will lessen the importance of an honest and upright public life, and even that of maintaining a democratic system and a free society.

When talking about the future of the Democratic Action Party, he said, there is no doubt that the incidents that happened several months ago were the most serious attempt to destroy the Democratic Action Party during the 15 years of struggle of the DAP. There were attempts to destroy the reputation and the image of the party from within and there were also external movements to bribe the federal and state parliamentary members of the DAP.

"Money politics will become a new political phenomenon in major elections in the cities, money is not only being used, a lot of money will be used.

"Last week, Dr Lim Chong Eu [2651 2417 4135], leader of the United Democratic Party [UDP], said the Malaysian Chinese Association [MCA] gave 50,000 yuan to the chairman of a branch of the UDP asking him to defect MCA. From this it can be seen that the price of bribing a state delegate or a parliamentary delegate may be from 300,000 to 500,000 yuan. Now, the price may have risen like the stock market, the prices vary according to the times.

"I believe the DAP can stand on its own feet, because regardless of what the inner party affairs are, the party has courageously advanced toward political goals during its 15 years of existence, and in the final analysis, we must rely on the whole record of the party and not just look at the action of the opportunists.

"I do not want to predict that the DAP will realize good achievements in the coming annual congress, but it may be the greatest challenge faced by it since its inception, it not only affects us greatly, at the same time, it also affects the political future of our nation."

LIN JIXIANG ACCUSED OF IMPEDING ECONOMIC PROGRESS OF ETHNIC CHINESE

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 3 Jul 81 p 7

[Article: "Malaysianization Group Accuses Lin Jixiang [2651 0679 4382] of Being Jealous of Scholarship Loans by Large Enterprises and of Striking at the Economic Development of the Chinese"]

[Text] The Malaysianization group has issued a statement accusing the secretary general of the Democratic Action Party [DAP], Lin Jixiang, [2651 0679 4382] of using legal and illegal means to strike at the economic development of the Chinese and not wanting Chinese descendents to have the opportunity to enter the university for advanced studies because of his jealousy of the university scholarship loan plan of the large enterprises of the Malaysian Chinese Association [MCA].

The statement pointed out: "The MCA which has always avoided empty talk and which has always emphasized the practical, has finally drawn up a series of practical plans after study and restudy to assure the future of the nation and the nationality. The goal is to solidify and promote the economic position of the Chinese, to assure that the descendents of the Chinese will be of superior caliber so that they will not become "half witted" talent someday. These plans include the concentration of manpower, financial strength, skills and experience to enter modern big enterprises and to push forward the plan of scholastic loans for university students to help poor students attend the university for advanced studies.... Since the time these plans were enthusiastically implemented throughout the nation, they have received more and more support from compatriots at every soc'al stratum. Facts are more convincing than argument, up to now, there are at least 100 Chinese social organizations that support the call of the MCA and have established enterprises or holding companies. The support given to the university scholarship loan plan promoted by the Malaysianization Independent Cooperative is also becoming wider and wider.

"Lin Jixiang obviously saw the situation and became extremely jealous. To rescue the situation from a sure demise and solicit a few more votes, he has taken all kinds of steps to join Su Haimi [5685 3189 4717], one sings and the other harmonizes, striking at and destroying the development of enterprises run by Chinese and the plans to train Chinese descendents. Su Haimi advocated at the conference of the UMNO (United Malays National Organization) Youth Section the limiting of the development of the economy of the Chinese population and prohibiting Chinese from purchasing stocks in foreign companies. Following this, Lin Jixiang expressed his crooked theories in the newspapers discouraging the university scholarship

loan plan promoted by the Malaysianization Independent Cooperative and sabotaging its smooth implementation. Both of them sing and harmonize together as if they had a mutual understanding. But, those with bright eyes will be able to see that Su Haimi does not want the economy of the Chinese population to continue to develop. Lin Jixiang does not want Chinese descendants to have the opportunity to enter the university for advanced study.

He said, "implementation of the university scholarship loan plan will lead to a loss of opportunities of university education for Chinese descendants," his "reason" being: "that after this plan is implemented, it will lead the government to believe that Chinese descendants will have the ability to afford university education, and correspondingly will reduce the rate of increase in the quotas for admission." We want to ask Lin Jixiang to consult his own conscience, we also want to remind him that although he is hiding under the banner of "Malaysia for Malaysians," the blood in his body is still that of a Chinese.

Lin Jixiang also said, the university scholarship loan plan is only a "temporary solution," it cannot become a "permanent cure." We want to ask him: What would be a "permanent cure"? If a "permanent cure" cannot be immediately found, or even if there is a "permanent cure" but it cannot produce results within a short period, should we then abandon even the "temporary solution"? Will our descendants lose the opportunity to receive higher education forever?

Lin Jixiang wants only a "permanent solution" and does not want a "temporary solution," this means, he is willing to watch the years go by as thousands and ten thousands of outstanding Chinese descendants lose the opportunity to enter the university for advanced studies because of economic conditions. We want to ask: Where is his national conscience? Is he a so-called "national hero" or a "national culprit," Mr Lin, please answer this question! The tens of thousands of compatriots at each social stratum who have already participated in the university scholarship loan plan and the broad Chinese population all want to know your answer.

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CS0: 4205/17

BUILDUP OF DEFENSE TECHNOLOGY URGED

Karachi DAWN in English 30 Nov 81 p 7

[Editorial: "Defence Technology"]

[Text] Quite inexplicably, an apologetic note sometimes creeps into Pakistani officials' explanations for acquiring new armaments or setting up new defence facilities. This is obviously an unnecessary politeness, whatever the countries not too well-disposed towards Pakistan may feel. The most important deterrent Pakistan has to a war thrust being upon it, short of having its frontiers guaranteed by the big powers, is the acquisition of armaments and the buildup of defence technology to a level where the armed forces are not only more effective but also more self-sufficient. No one will deny that at the moment the country is far more vulnerable than it would like to be. The present heavy dependence on imports cannot be viewed with equanimity. It is perhaps an indication of the times we live in that the first-ever seminar on defence technology opened this week. The Chairman of the Joint Chiefs of Staff Committee stressed in his inaugural speech that self-sufficiency in defence production must be achieved, and he broke new ground in emphasising that the private sector should also be associated in defence production industry on a large scale.

Achieving self-sufficiency in defence production in a comprehensive sense is, of course, a tall order, given the country's industrial backwardness. What is achievable, and certainly desirable, is local production of the less sophisticated equipment which it is apparent can be produced within the country without unduly straining human or financial resources, provided this element is studiously built into the nation's industrial programming. This becomes even more practicable when the possibility exists of cooperation with other countries--Turkey, for instance. Apart from progressive manufacture of armaments, another important necessity is that for servicing or 'rebuild' facilities for sophisticated equipment. Pakistan already has such facilities on a fairly large scale but, because of the very high cost of such services provided by the manufacturers, they should be expanded. Here again there is the possibility of cooperation with other countries. If Pakistan can provide such facilities to other nations--which it should be able to do at less cost than the manufacturers charge--then it will not only build up goodwill but also generate some much-needed revenue.

NATION'S ATTITUDE TOWARD U.S. PRIVATE INVESTMENT CLARIFIED

Karachi BUSINESS RECORDER in English 23 Nov 81 p 2

[Editorial: "Not the Same Mistake Again"]

[Text]

They came, they talked and they went back. That is how the entire visit of the American businessmen to Pakistan can be summed up. But the way the publicity was handled and the press coverage was allowed gave an impression as if the visitors went head over heels to help us in overcoming our present difficulties. Such an impression would be beneficial neither to the country nor to the regime. It is neither good publicity nor good economics. During their week-long stay, the American businessmen exchanged views with the high officials, including a call on the Head of the State, and with their counterparts in Pakistan. And what came out of it, is known to all. They talked and talked and finally some of them even gave the verdict that most of the people in USA were not even aware about the existence of Pakistan, whereas the media in the country kept on projecting that the visitors have evinced interest in a number

o projects. Investments in a joint banking company or in life insurance which would involve a major amendment in our law, as we have already pointed out, are no investment in the real sense. They showed interest in sheep breeding, poultry farming or fishing industries, but these are not the fields where we need any assistance from the investors of the leading industrial nation of the world. It is in the capital intensive fields which involved highly sophisticated technology that we need assistance from the developed countries. This country has given liberal concessions to the foreign investors. As entrepreneurs they should take advantage of the favourable conditions existing in the country. We know that investment is not charity. It is neither philanthropy. An entrepreneur invests to get substantial return out of the money he is putting in. His object is to have the most for the least. If they think that they can get

the most for the least, they come forward and invest. If not, they keep aloof. If the American visitors thought that what this country was offering was insufficient, they should have made suggestions and should have given us a chance to see whether their suggestions were acceptable or not. Instead, in most of the places their behaviour was, we regret to say, simply deplorably disappointing.

There might be some apprehensions in the minds of the visiting American investors. Like many others in foreign countries, they might have been the victims of the hostile propaganda carried out by the western media about the policy of Islamisation being pursued in this country. They would have been justified if they had asked for full information about the shape of things in an Islamic economic order. As members of the US-Pakistan Economic Council, it was their duty to gather all facts and

taining harmonious inter-communal relationship and promotion of balanced social and economic order. Various agricultural strategies that have been adopted from time to time for raising indigenous production lacked profoundness. The priorities fixed favoured some commodities while others got neglected. Various incentives granted and facilities provided in the form of support and procurement prices, subsidisation of critical inputs, supply of high yielding seeds and advance credit facilities helped to boost the production of commodities like wheat, cotton, rice and sugarcane. But no attention was paid to the declining production of pulses. It is only now that some interest is being shown for bringing more acreage under gram, Mutter and Masoor during the rabi season.

Among pulses gram occupies the pride of place. It is put to varied uses. It is used not only as an item of human diet but also as feed for animals. The reason for the shortage of pulses are

not far to seek. Firstly, for the last two years the gram crop was destroyed by pests. Secondly, when the prices of items of meat group, vegetable group and other eatables started going up and up the demand pressure was diverted towards pulses which were already short of the existing demand. It is obvious that this group could not absorb the increased demand.

It is known that agricultural production cannot rapidly increase in a year or two. For raising production of pulses to the level of demand long-term planning is necessary. Not only that all the incentives and facilities that are given for the production of cash crops should be made available to this sector but also attention be given to the special problems faced by this sector. For formulating a long-term action plan a lot of research work is needed because authentic data is not available and it has to be found out what peculiar factors have been responsible for steady decline in the production of pulses.

U.S. INVESTMENTS SHOULD 'AIM AT INCREASING PRODUCTION'

Karachi DAWN in English 26 Nov 81 p 9

[Editorial: "US Private Investment"]

[Text]

THE just concluded visit of the Pakistan-US Economic Council delegation was part of a drive to attract foreign investment in the private sector. The visitors were able to familiarise themselves with the overall economic situation and the scope for foreign private investment. The Government has taken a number of measures to enable the private sector to play a vigorous role in the economy. To a large extent, these measures have restored the investors' confidence. The total investment approved during 1977-81 was 3,082 million dollars, averaging 770 million dollars per annum, as compared to 140 million dollars in 1976-77. The Government is inviting foreign private investment on a big scale to augment the supply of capital. A wide range of incentives and effective safeguards have been offered to foreign investors. They include repatriation of investment, including capital gains, current profits, remittance facilities for expatriate employees and legal protection to foreign investment. The

"Protection of Rights in Industrial Property Order 1979" bars arbitrary industrial take-overs such as took place under the Economic Reforms Order, 1972. Furthermore, the Government has thrown open a large number of industries previously reserved for the public sector. The prospective American investment is further protected by the Investment Guarantee Agreement between the USA and Pakistan precluding expropriation or other losses. During the Second Five-year Plan period, (1960-65), private US investment in Pakistan was 25 per cent of the total sanctioned foreign investment. This rose to 80 per cent during the Third Plan period (1965-70), with the US taking first position among 30 countries which invested in Pakistan.

The Pakistan-US Economic Council delegation appears to have been impressed by the improved investment climate and the opportunities that exist for setting up profitable ventures here. The Federal Industries Minister has also ex-

pressed optimism on this score, stating that 100 projects have been identified for US investment. There is an indication that a joint US-Pakistan investment bank may be set up to facilitate capital flow. Agreement in principle has reportedly been reached for a poultry project and a sheep-breeding and marketing enterprise. There is also talk about the possibility of a life insurance company being set up by US investors. The inflow of US private capital had already started even before the Pakistan-US Economic Council delegation arrived here. According to official statistics, the sanction of US private investment in Pakistan amounted to 238.5 million dollars during the 15 months from July 1980. These are encouraging trends. Mutual efforts are however, necessary to ensure that such investments are judiciously channelled and prove

helpful to the economy. Since these investments will be repatriable or in the form of credit, care must be taken against misdirected placement. All foreign investment must basically be aimed at increasing genuine production capacity, developing basic industries, ensuring transfer of technology and establishing capital-intensive industries. They should be oriented towards the Fifth Plan objectives which accord high priority to capital goods industry. The second priority is for industries based on local raw materials and for mineral and agro-industries. As far as possible, these industries should be export-oriented, so that they make some contribution towards improving the balance of payments position. As a matter of principle, consumer goods industries should be kept outside the domain of foreign investment.

ZIA: GOVERNMENT TO ENCOURAGE PRIVATE SECTOR

Karachi DAWN in English 29 Nov 81 pp 1, 10

[Article by Hasan Akhtar]

[Text] ISLAMABAD, Nov. 28: President Mohammad Zia-ul-Haq today called upon the private sector to play its due role in developing the country's economy according to Islamic principles, giving a categorical assurance that his Government would neither allow political conditions to be disturbed by elections nor would it nationalise any of the private enterprises. He said, indeed, there would be more opportunities available to the private entrepreneurs by restricting the public sector to bare essential spheres.

Gen. Zia-ul-Haq, who was addressing the concluding session of the five-day symposium on economic performance of public enterprises, however, laid emphasis on improving the economic efficiency and productivity of the public sector, and announced setting up of a three-member Ministerial Committee to ensure implementation of the recommendations of the symposium, jointly sponsored by the United Nations and Pakistan Government (Cabinet Division), to bring about an overall improvement in public sector industries.

The President said the public sector versus the private sector controversy should cease because his military Government was committed to promote Islamic system of economy which protected free

enterprise and competition. He said he was at the entrepreneurs' camp, which he was determined to collect on behalf of the Almighty, and said Government taxes, which investors had nothing to fear.

He, however, declared that greater patronage to the private sector would not be permitted to make the rich richer and the poor poorer. He also underlined the importance of the public sector in the interest of social and economic requirements, but that should not discourage private enterprise which would have full and fair play under his Government, he added.

The President lashed out at bureaucracy for its tendency to place obstacles in the way. The civil servants, he said, tended to record everything in stone of files and files only. From Zia-ul-Haq's speech to them as a file, he said would a head legislator from about 400 words assembled at the closing session of the symposium.

So far, the military and the civil services had been the principal forces in the country, he said, and added that the military had its own training and methodology to deal with problems. But now it was time that the third force of business community was allowed to emerge and play its part as it had some 35 years ago, he further said.

The President said he considered it of prime importance that the economic performance of public enterprises should be correctly and carefully evaluated as was

stated in the tentative recommendations presented at this evening's session. He agreed with guest speakers that objectives of each private enterprise should be clearly defined, its management should have greater autonomy in running its affairs and the management should be accountable for its performance.

But, at the same time, he said, while evaluating the public sector performance, the fact that it had contributed to social welfare of the people should not be overlooked.

The President expressed his dissatisfaction at the way the public sector had dealt with its labour. He asked the public sector managements to appreciate that the labour had not created any serious problems for them and they should, therefore, do a good deal more for the welfare of the labour.

Gen. Zia-ul-Haq strongly advocated the need to organise programmes for training manpower at the establishment. He said he would consider a legislation which would make it necessary for enterprises to run training institutions for training manpower not only for domestic needs but for providing the necessary skilled personnel in friendly countries where they were in demand. The President also emphasised the importance of planning research and development programmes at industrial establishments.

LARGE PUBLIC SECTOR

APP adds: President Zia said Pakistan had a large public sector, which included such organisations as Railways, PIA, the National Shipping Corporation, the nationalised banks, to name a few. He said the Government had allowed competition

with NBC by the Islamic Steamship Company, but to create organisations to compete with PIA and the Railways was not necessary. He said the country had got to see whether the performance of the public sector enterprises was good.

He said the transport in the public sector was operating at a loss. In spite of the Government's permission to the private sector to come into this field, private businessmen were not forthcoming.

FOREIGN INVESTORS

President Zia said the private sector had to come forward and play its role in all spheres. He said private investors from abroad were showing a good deal of interest and confidence in Pakistani economy and were planning to invest. He said when a group of US investors recently met him, he had assured them that time to have political the country would constabillity, and there would be no nationalisation of the units they might set up here. He said he had also informed them that the policy of the Government was to patronise the private sector, and even denationalise some of the public sector units. These assurances he said, had warmed up the US investors, and 23 of them got ready to put in their money in various types of units and projects. "It is a happy augury", he added.

Referring to a proposal by Dr Mahbubul Haq, Director, Policy Planning, World Bank, who spoke earlier during the concluding session, the President said the Government would undertake as much decentralisation of decision-making in the public enterprises as possible. He said there were dozens of "horrifying stories and tales of bureaucratic controls which exist today between our

agencies and corporations (on the one hand) and the ministries" on the other.

Mr. Obaidul Jhaq Khan, Minister for Finance, addressing the session earlier, said that in the last four years the Government had taken a number of measures to establish a good relationship between the public and the private sectors. He said "the private sector and the public enterprises are only two of the instruments of public policy and the aim of that policy is rapid economic growth with equitable distribution within the framework of an Islamic social order."

He said: "We should be prepared to adopt that blend of public and private sector which realises our development goals at a faster pace and spreads the benefits of progress more equitably according to the Islamic principles of justice and equity."

Mr. Jhaq said there was thus virtually no limit on the role which the private sector could play in the all important task of building the economy. Indeed, considering the financial and managerial constraints of the public sector, the private sector would receive a preferential treatment provided it was willing to come forward with the right spirit of combining its natural and justified instinct for commercial profit with a socially responsible, forward-looking attitude in the overall national interest.

RECEPTION

President Zia hosted a reception here this evening in honour of the delegates to the international symposium on economic performance of the public sector enterprises.

The President mixed freely with the delegates in the reception which was held in the Alwan-i-Sadar and lasted an hour.

JUDGMENT ANNOUNCED IN HARS MURDER CASE

Karachi DAWN in English 19 Nov 81 pp 1, 6

[Text] **HYDERABAD, NOV 18:** The Sessions Judge, Sukkur, and ex-Officio Additional Sessions Judge, Hyderabad, Mr Qadeer Mohammad Qureshi today announced the judgment in the famous Hurs murder case and sentenced nine accused persons to death. They are Chaudhry Yakub, Shah Muhammad, Abdul Ghafoor, Aslam son of Ismail, Noor Mohammad, Muhammad Munir, Ghulam Shabbir Kalyar, Imdadullah Umar, and Qasim. The death sentence for Ghulam Shabbir Kalyar, former DIO Police, and Imdadullah Umar, former Deputy Commissioner, was announced in absentia under Section 337 Cr. P.C. The Sessions Judge, however, ordered that the sentences against these two convicts will be enforced after their arrest and production before the court.

Accused Mir Mohammad Laahri was sentenced to two years R.I. under Section 714 PPC. The Court was also pleased to acquit three accused namely Shah Nawaz Junejo, Muhammad Hussain Junejo and Dr. Afzal Arain.

APP adds: Those awarded death sentence besides Umar and Kalyar are Chaudhry Mohammad Yakub former S.H.O. Sanghar, Abdul Ghafoor, Head Constable and Constables Mohammad Munir, Noor Mohammad, Ghulam Kasim, Aslam son of Ismail, and Muhammad.

Each of the nine convicts are to be hanged by neck "till they are dead", the judgment added.

However, the said sentence shall be executed after confirmation by the High Court under Section 374 Cr.P.C.

The nine convicts have been allowed seven days time to appeal before the High Court.

In his judgment, the honourable Judge said: I find accused Yakub, Shah Muhammad, Abdul Ghafoor, Aslam s/o Ismail, Noor

Mohammad and Muhammad Munir guilty for offence under Section 302 and 34 P.P.C. and accused Ghulam Shabbir and Imdadullah Umar and Ghulam Kasim guilty for an offence under Sections 302 and 109 P.P.C. and convicted them under Section 302 (1) (2) Cr.P.C. and they are sentenced to death.

Mr Qadeer Mohammad M. Qureshi has said that accused Chaudhry Mohammad Yakub has further been found guilty under Section 301 P.P.C. and has therefore been sentenced to suffer three year R.I. and to pay fine of Rs. 1,000, or in default, to undergo further R.I. for three months.

He has further ordered under Sections 302 and 109 P.P.C., Section 344 (A) Cr.P.C. that accused Imdadullah Umar and Ghulam Shabbir Kalyar shall pay Rs. 10,000 each as compensation or in default to undergo two years R.I. Accused Chaudhry Yakub and Shah Muhammad shall pay Rs. 5,000 or in default to suffer one year R.I. each as compensation, while accused Abdul Ghafoor, Aslam s/o Ismail, Noor Mohammad and Munir shall pay Rs. 2,000 each as compensation or in default to undergo six months R.I.

The amount of compensation, if recovered, shall be paid to the heirs of the six deceased persons, the judgment added.

Accused Imdadullah Umar and Ghulam Shabbir Kalyar are absent since the stage of arguments and it is held that judgment can be announced against them under Section 337 Cr.P.C. and so aforesaid conviction and sentence as well as compensation is ordered against them. But the sentence against them would be enforced after their arrest and production before this court, or Sessions Judge Hyderabad, or after they are surrendered in either of the courts.

The judgment added that offence under Section 218 PPC is not proved against the accused Dr. Mohammad Afzal Arain, and offence under Sections 302 and 109 PPC is not proved against Shah Nawaz Junejo and Muhammad Hussain Junejo and they are acquitted under Section 235 (1) Cr.P.C. They are on bail. They stand discharged of their bail bonds and are set at liberty.

The offence of conspiracy under Section 130-B P.P.C. and of abduction under Sections 364 and 109 P.P.C. are not proved against any accused, the judgment added.

The case, State v/s Ghulam Shabbir Kalyar and twelve others was filed under Sections 302, 301, 462, 471, and 130-B P.P.C. whose hearing started at Karachi, in the same court, in July 1978.

Mr Mohammad Aslam was an approver in the case.

Except convicts Kalyar and Umar, all the remaining convicts were present in the court today.

Later in the evening, the convicts were shifted to the Central Jail.

The judgment into the six Hurs murder case stretches over 130 pages.

The murder of six Hurs took place at Kannan Mori, seven miles from Sanghar, on the night between October 6 and 7 1973.

The same was however shown as an encounter of police with abductees, by the previous regime. The deceased who were disciples of Pir Sahib Pagaro were: Mehrab, Umar Ali, Jan Mohammad, Hamza, Ali Sher and Dadan alias Allahdad Wadho. Mr. Mohammad Yakub Sanjani was the complainant into the six Hurs case. He had written an application to the then I.O. Police Sind, on October 11, 1973, three days after the Kannan Mori incident. The complainant was the immediate

cousin of the deceased Mehrab and Umed Ali.

After the imposition of Martial Law in July 1977, on fresh appeals made by the relatives of the deceased Hurs, the P.I.A. held a thorough investigation into the case. From this inquiry, it came to light that prima facie it was not the suggested encounter of police with abductors, but something of the nature of cold-blooded murder.

Statements of the accused and witnesses were thereafter made before a First Class Magistrate, Mr. Shamsuddin, after October 11, 1977.

The hearing into the Hurs' case started in the court of Mr. Qader Mohammad M. Qureshi at Karachi in July 1978.

Evidence of 104 witnesses were recorded during the hearing out of which 15 were examined by the Special Public Prosecutor. The case had 800 exhibit documents. Three month long cross examination of the Approver Mohammad Aslam was done by the eight defence counsels, which was recorded on 120 fullsize pages.

The defence counsel panel included, Asgha Abdul Rasool, Mr. Allahdina Memon, Mr. Abdul Sai-

yar Shaikh, Mr. Aftab Ahmed Akhund and Mr. Abdul Wahab.

Mr. Aslamullah Shaikh, Special Public Prosecutor was assisted by Mr. Anwaruddin Qureshi, advocate.

CHARGE SHEET

The names of former Prime Minister late I.A. Bhutto and ex-Sindh Governor Mumtaz Ali Bhutto were included in the Column No. 9 of the charge-sheet in the six Hurs murder case, judgement in which was pronounced here today.

Also shown in the Column No. 2 was the late Abdul Rahim Raisani former L.Q. Prisoner (Sindh).

The six murdered Hurs were fasting on the day when they were taken into police custody from the courtyard of the convicted D.C. Sanghar, and later killed at Kamran Mori, on Oct. 6 1973.

They were devoted Muslims, according to relatives of the six Hurs.

On the other hand, the P.I.A. sources told AFP that it was the first of Ramadan when the accused and now convict Ghulam Shabbir Kaiyar was taken into police custody for interrogation in connection with the Hurs' murder case, in the year 1973.

AIR TALKS WITH MALAYSIA END IN DEADLOCK

Karachi DAWN in English 21 Nov 81 p 10

[Text]

KUALA LUMPUR, Nov 20: Pakistan and Malaysia ended their air services discussions here on Wednesday in deadlock as both sides disagreed on the extension of flights for their respective airlines, informed sources said.

The meeting was to revise an air services agreement signed between the two countries in 1973. Two earlier meetings were held earlier, this year in Karachi and the Malaysian capital.

Pakistan had requested that its Pakistan International Airlines (PIA) be allowed to extend its present flights into Kuala Lumpur, Singapore, Jakarta and Sydney, the sources said. PIA presently has two flights to and from Kuala Lumpur.

Malaysia, on its part, had asked that the Malaysian Airlines System (MAS), be allowed to fly to Karachi and beyond to Dubai and the West European points.

the sources said. MAS has no flights into Karachi on the ground that it was unprofitable.

Pakistan was not prepared to meet Malaysia's request without some commercial arrangement but Malaysian officials argued that Pakistan had been operating in to Kuala Lumpur without any commercial arrangement, the source said.

Pakistan also insisted that it would only give MAS the rights if and when PIA is granted the rights by authorities in Jakarta, Singapore and Sydney to pick up passengers from Kuala Lumpur for their routes, the sources said.

The Pakistan team was led by Joint Secretary of the Aviation Division of the Defence Ministry, Aftabuddin Ahmad, while Bhupinder Singh, Deputy Secretary-General of the Transport Ministry, headed the Malaysian side.—Reuter.

CSO: 4220/112

PRC DELEGATION VISITS AFGHAN REFUGEE CAMPS

Karachi BUSINESS RECORDER in English 22 Nov 81 p 3

[Text]

PESHAWAR, Nov 21: The visiting press delegation of the Chinese Kinhua news agency, led by its Deputy Director General, Miao Hailing visited the Kachagarhi tentage village of the Afghan refugees and acquainted themselves with their plight.

Addressing the refugees, who had gathered to greet the delegation, at the camp Miao Hailing sympathised with them on behalf of the people and government of China and lauded their heroic struggle against foreign intrusion.

He declared amidst chants of Allah-o-Akbar that the Afghans were an invincible people and would never surrender to any foreign force. They were bound to be victorious in their just struggle as truth would ultimately triumph, he said, adding "We salute the heroic Afghan people for their courage and determination for freedom".

Miao Hailing assured the Afghan refugees that they were not isolated. The people of Pakistan, China and the whole world were on their side. "What they are doing now is not only for Afghanistan but also for the entire south Asia and the whole world", he remarked.

He said that the people of Afghanistan, Pakistan and China were members of one family and shared each others happiness and sorrow. "We believe they will all march together on hand in hand", he said.

Extending sincere greetings to the Afghan people on behalf of the people of China, Hailing assured his audience that the Chinese people were familiar with the situation being faced by the Afghan brethren.

and the members of his delegation had a better understanding of the refugee problem, now. He appreciated that Pakistan was bearing this responsibility and-making sacrifices for the Afghan refugees.

Hailing said that the stand of Pakistan on the Afghan issue was respected by the Chinese people.—APP.

He also appreciated the warmth with which the people of Pakistan had welcomed the Afghan refugees, and said that the whole world respected Pakistan's assistance to the uprooted Afghan people.

Miao Hailing and members of his delegation went round the camp meeting its inmates and inquiring about their problems and plight. They also visited two tents to acquaint themselves with the living conditions.

They also visited a dispensary set up by Saudi Arabia and talked to the doctors, inquiring about the treatment, being given to the camp inmates.

ATROCITIES

Earlier, an Afghan refugee elder informed the Chinese press delegation, of the developments, which forced them to abandon their hearths and homes. He said that the innocent and defenceless people of Afghanistan were being subjected to severe atrocities, by the Soviet troops.

He reiterated the determination of the Afghan people to continue their struggle for freedom and emancipation.

Before visiting the camp, the Afghan refugee commissioner, Mohammed Abdulah Khan, briefed

the Chinese delegation about the Afghan refugee problem, with particular reference to administrative structure for relief and the mode of its distribution amongst the Afghan refugees.

He revealed that 50 per cent of the total relief expenditure provided to the refugees, was being borne by the Pakistan Government from its resources, in the form of cash allowances.

The commissioner also briefed them about the facilities being provided to the refugees in the fields of education, health, drinking water, self-reliance-cum-income generating projects etc.

Referring to the response of the people of the NWFP towards their uprooted Afghan brethren, Abdulah said that they had taken them as their basic moral responsibility and an ideological and human problem. This, he said, was the main source of inspiration for the administration to handle such a gigantic task of looking after about two million refugees, which was the biggest refugee theatre throughout the world today.

In his brief remarks on the occasion, Miao Hailing said that he

OFFER RENEWED TO USSR ENVOY TO VISIT REFUGEE CAMPS

Karachi BUSINESS RECORDER in English 22 Nov 81 p 3

[Excerpt]

ISLAMABAD, Nov. 24: President Gen. Mohammed Zia-ul-Haq has renewed offer to the Soviet Ambassador to visit the Afghan refugee tentage camps in Pakistan to ascertain whether they are genuine refugees or Mujahideen as is alleged by Kabul and Moscow.

The President was asked today by newsmen to comment on the recent attacks by Afghan gunship helicopters on the Pakistan border areas and the reported claim of the Soviet Ambassador that there were only two per cent refugees among the Afghans who had sought shelter in Pakistan, after he had opened an international symposium on economic performance of public enterprises at the National Assembly Building.

The President described the gunship's attacks and air and border violations by Afghan Armed Forces as something of great significance. He said they were possibly aimed at creating an impression that they were attacking Mujahideens' concentrations and not Afghan refugee camps on the borders. Everyone, including the Soviet Ambassador, had his standing offer to visit the tentage villages of Afghan refugees to satisfy himself about the bona fides of camp residents, the president said.

C50: 4220/116

ATTEMPT TO BRING BALUCHISTAN TO PAR WITH OTHER AREAS REPORTED

Karachi BUSINESS RECORDER in English 26 Nov 81 p 3

[Text]

QUETTA, Nov. 25: The two-day session of Baluchistan provincial council ended here this afternoon. The provincial Governor Lt-Gen. Rahimuddin Khan who is also Council Chairman presided.

Addressing the concluding session, the Governor said that the overall development strategy of the province is to bring Baluchistan at par with other advanced areas of the country in the shortest possible time. He said for this purpose the projects of basic nature are being completed on priority basis. Provision of electricity, supply of drinking water, irrigation and communication sectors have been given special attention.

He said the performance of local bodies institutions during the past two years has been by and large, satisfactory. However, a committee is being formed to examine the working of the project committee already set up in the province to accelerate the pace of development, the new committees will suggest ways and means to further improve the working of project committees.

The Governor directed the project committees to ensure implementation of community development projects at the earliest possible time. He said local bodies institutions have been given adequate powers to implement development projects under their

jurisdiction. These powers are being increased gradually. The councillors should select and implement projects of collective good.

He advised the councillors to prepare realistic and manageable development programme for the next financial year.

The Governor said to make the local bodies institutions more effective and representative in character, special seats have been created for women at various tiers to associate them with development work.

Referring to the process of Islamisation the Governor said the government has taken concrete steps to achieve this objective.

About the situation across our borders he said, the government and the armed forces are fully prepared to safeguard the geographical and ideological frontiers of the country. He said the defence of geographical and ideological boundaries of Pakistan is the duty of the entire nation and people of Baluchistan would not lag behind in the performance this national task.

Earlier, the council was briefed on the pace of progress for development work in the province by the provincial secretary for planning Atta Mohammad Jaffar.—PPL

DEVELOPMENT ALLOCATION DOUBLED FOR NORTHERN AREAS

Karachi DAWN in English 20 Nov 81 p 5

[Text]

GILGIT. Nov 19: The Federal Government has doubled the annual development allocation for the northern areas as against previous outlay of Rs 70 million.

This was stated by the Martial Law Administrator Zone 'E' Maj Gen. Imtiaz Waraich at a function to mark the formal inauguration of new building of Government High School at Astore in Diamer District. The building was completed at a cost of over one million rupees by the northern areas works organization and could cater to the education requirements of a population of 15000 with a provision for further expansion.

During the last four years a chain of educational institutions were opened and existing facilities were consolidated in this field.

Maj-Gen. Imtiaz Waraich said

that the Government would see to it that staff and other requirements of these institutions were met. He said that the current financial year's programme includes setting up of 124 new primary schools, construction of new buildings for 122 primary schools to middle level and 14 middle schools to high school level.

Earlier, the Director of Education, Brig Abdul Majid, in his speech underlined the activities of the department and said despite resource constraint, they were able to provide people with educational facilities at their door step.—APT

CSO: 4220/112

BLUEPRINT FOR NEXT FIVE-YEAR PLAN

Karachi MORNING NEWS in English 19 Nov 81 p 8

[Text]

ISLAMABAD, Nov. 18: The blue print for the next Five-Year Plan is being presently processed to take care of nation's growing development needs after the current Five-Year Plan ends in 1983.

This was stated by the Federal Finance Minister, Mr. Ghulam Ishaq Khan during his meeting with the Vice-President of the Canadian International Development Agency, Mr. Lewis Perin Bam here this afternoon.

The Finance Minister said that special attention was being paid to the development of comparatively less developed parts of the country. In this connection, he referred to the special development programme which had been prepared for Baluchistan.

Mr. Ghulam Ishaq Khan said that the government was also according high priority to the exploration of oil and gas potential and exploitation of

mineral deposits in the country. This was essential not only to maintain but also to accelerate pace of progress he observed. He said the Government believed in optimally mobilising domestic resources for meeting requirements of socio-economic growth. He pointed out that in the span of last four years the public revenues had doubled and efforts were continuing to further improve their collection.

The Vice President of the Canadian International Development Agency informed the Finance Minister that the CIDA was presently reviewing its aid programmes in the light of its relations with the recipient countries with a view to improving the aid levels. He said that Canada planned to increase its official development aid for the developing countries to 0.3 per cent of its GDP by 1985 which would be further stepped up to 0.7 per cent by 1990.—APF

CSO: 4220/115

DISPLEASURE VOICED ON INTERNATIONAL LENDING AGENCIES

Islamabad THE MUSLIM in English 19 Nov 81 p 4

[Editorial: "The Lender Is Not Always Right"]

[Text]

INTERNATIONAL financial agencies lending money to Pakistan want higher prices all round, particularly for the basic items. Even if that is not exactly what they want directly, that will be the result of their pressures on Pakistan. The World Bank wants higher rates for water. The Asian Bank demands higher rates for electricity. The International Monetary Fund wants higher prices for petrol and other oil products. And now, it appears, the World Bank and the IMF want higher gas prices. The Government has accepted their demands in respect of water, POL and power one after another. And now, after resisting the pressure for increasing gas prices, even while accepting their pricing philosophy, the Government has set up a high-powered committee under Governor A.G.N. Kazi of the State Bank to review gas rates. What will be the result of the POL, power and gas prices going up? The cost of living will skyrocket. To remedy that, or to reduce the impact of such prices, salaries and wages all round will have to be increased steeply. How can that be done except through massive deficit financing by printing currency notes far in excess of the Rs. 5,444-million limit proposed for the current year, following last year's Rs. 4,366 million?

In Bangladesh, the International Monetary Fund has suspended its financial assistance on the pretext that that country is not giving up, or not reducing substantially, its deficit financing. The IMF is not, however, prescribing very rigid conditions for the record loan of 5.8 billion dollars it is giving to India. The contradictions in the IMF lending standards thus become transparent. What these international lending agencies want is a lot of rigmarole. Filtered water should be distributed at a price that leaves enough funds for repayment of World Bank loans. POL products should not be subsidised in any manner. Power rates should be such that the borrowing companies are able to repay the Asian Bank loans unfailingly. And now gas, which is an indigenous product, has to be priced higher, as if it were also an imported product. If gas, which now forms half the energy source in Pakistan, is made to cost a lot more, prices of all manufactured

items will go up appreciably, and possibly power rates will rise again. But while the World Bank or the IMF wants international prices for energy of any kind, imported or locally produced, would it recommend international wages in Pakistan instead of a per capita income which is only one-fortieth of that in the United States?

If the country is paying low rates for gas or water, it is paying far higher than international prices for all its imports because of the heavy import duties and sales tax, and very high prices for indigenous manufactures because of heavy excise duties and sales tax. Today Pakistanis are paying about 150 per cent more than the international price for sugar. Higher, too, are the prices of cement and a variety of other items. Will the World Bank and the IMF suggest that the prices of all these items should be brought down so that when some items are raised to international level, the prices of others are brought down to that level? All this when the balance of payments support the IMF is giving is only 1.7 billion dollars spread over three years? So far Pakistan, like most other Asian States, was called a poor country and a low-cost market. But suddenly, it has become too good not to pay international prices both for imported and indigenous products. Does the World Bank and the IMF really want Pakistan to be engulfed by swirling inflation beyond all hope of redemption? These agencies feel free to make such demands on Pakistan because it has asked for rescheduling of the repayment of its debts more than once. But has it not been driven to do that by the incredible inflation in the West, and the resulting oil price hike? And now Pakistan, like other developing States, is hit hard by the recession in the West and the rough tariff walls rising there against its export products. Rescheduling hence became necessary.

The international agencies want Pakistan to open the floodgates of inflation despite the fact, that unlike in the West, wages here are not tied to inflation and there is no social security, either. How are the people to survive then, particularly the fixed income group that has been under agonising pressure for so long? Clearly, these international financial agencies and economic experts in the West who think like them have made a mess of their own economies. They have played havoc with the world monetary system, and their own system has come to grief. If it was the U.S. dollar that was taking a heavy beating until recently, it is the pound sterling, that is taking yet another pounding along with several other European currencies now. The advice of such experts and agencies should therefore be accepted or acted upon with great caution. All this emphasises the need for Pakistan to try to live within its means, and make the most productive use of the assistance it gets from friends. Waste has to be eliminated. The urgency for increasing self-reliance is greater today than ever before. Otherwise, for a little of external credit, Pakistan will have to listen to a lot of absurd counsel and suffer irrational pressures because the lenders think they are always right.

ALLOCATION FOR FARM LOANS, STORAGE IN PUNJAB NOTED

Karachi DAWN in English 26 Nov 81 p 3

[Text]

LAHORE, Nov 25: The Punjab Government has earmarked a sum of Rs 865 million during the current fiscal year for providing agricultural loans to the farmers and for the improvement of food storages and agriculture extension facilities in the Punjab.

According to the Punjab Planning and Development Board (PPDB) sources the amount of funds made available for the budget year 1981-82 in the agriculture sector to the various agencies in the province was being utilized satisfactorily.

At this time, the sources added, the amount was being spent with the consultation and assistance of the members of the local bodies. The latest stipend for the agriculture development programme for the first six months of the current fiscal year had already been

achieved, the source said. Besides providing agricultural loans to the tune of about Rs 100 million, a sum of Rs 65 million will be spent on the construction and repairs of food storages.

An amount of Rs 47 million will be spent on the procurement and certification of agriculture seeds and a sum of Rs 202 million on the agriculture extension programme during the same period.

For carrying out research work programme at various agriculture research centres in the province, an allocation of Rs 33 million has been made. Funds to the tune of Rs 310 million have been made available for the construction of

For the electrification of villages and farm tubewells — and farm tubewells in the province, an amount of Rs 150 million will be spent during the current fiscal year.

CSO: 4220/113

CODE OF ETHICS FOR PRESS READIED

Karachi MORNING NEWS in English 29 Nov 81 p 1

[Text]

The Federal Secretary for Information Maj-Gen. Mujibur Rehman Khan, said yesterday that the code of ethics for the Press was ready but certain measures were required to be taken before enforcing it.

He was talking to newsmen after Pakistan Television's ceremony for best TV commercial awards competition, 1980-81 here.

He said gradually steps would be taken to enforce the code of ethics in place of the Press and Publications Ordinance.

He said the first step towards enforcement of the code would be lifting of censorship gradually, and secondly an implementation machinery for enforcing the code would be needed.

When asked about the self-censorship by some newspapers, he said an experiment was being made which was not wholly satisfactory.

Replying to another question he said deals had been made with some private parties for sending Pakistan Television's plays to other countries.

He said no political government took any step towards replacing Press and Publications Ordinance by a code of ethics but the present Government had made much progress in that direction. —PTI.

NEW CULTURAL PACT WITH PRC EXPECTED

Karachi MORNING NEWS in English 30 Nov 81 p 8

[Text] A new cultural agreement between Pakistan and People's Republic of China is expected to be signed sometime in March next. The existing two-year agreement expired this year.

This was disclosed by the Federal Minister for Culture, Sports and Tourism, Mr Arbab Niaz Mohammad, at a Press conference yesterday on his return here after a 12-day visit to China.

He said that a draft of the new agreement was given to him during his visit to China. Both sides, however, agreed in principle on its contents.

The new agreement will be signed during the visit of the Chinese Cultural Minister and his Vice-Minister to Pakistan in March next.

To a question, Arbab Niaz Mohammad said that the Committee on Promotion of Tourism constituted under the directive of President Mohammad Zia-ul-Haq after the tracking convention held at Islamabad, will have its second meeting on Dec 7.

The committee, which is headed by the Minister himself, has already met once after its formation.

The committee, he said, would identify the bottlenecks hampering the promotion of tourism in Pakistan and make recommendations for their removal.

The recommendations, he added, would be submitted to the President within 3 months for approval.

He said that our main emphasis would be on the development of domestic tourism.

He, however, observed that without the involvement of the private sector, the objective of development in domestic tourism could not be achieved effectively.

The Cultural Minister described his visit to China as both "successful and meaningful" from the cultural and other aspect. The visit took him to Peking, Shanghai, Hanchu, Sochu and Canton.

He said that with the opening of Karakoram Highway, Pakistani tourists would be able to visit China and vice-versa. However, foreigners would not be allowed to use this route.

He said that during the visit, his Chinese counterparts agreed on his suggestion for joint film production to be dubbed in Chinese and Urdu languages. The suggestion, however, will be further discussed during the visit of Chinese Cultural Minister to Pakistan.

He said that a Chinese cultural troupe was expected to visit Pakistan at the end of February or early March, while a Pakistani folk artists troupe would visit China next year.

To another question, Arbab Niaz Mohammad said that the Sports Complex being built in Islamabad with Chinese assistance would be completed by the end of 1982. Eighty percent work of the complex had already been completed, he added.--APP

CSO: 4220/115

GOVERNMENT EMPLOYEES TOLD TO WEAR NATIONAL DRESS

Karachi DAWN in English 21 Nov 81 p 4

[Text]

QUETTA, Nov. 20: Baluchistan Government has decided that all Government functionaries in the province would wear Pakistani dress at least four times a week with effect from Dec 1 while on remaining days they would have option of putting on national dress, Pakistani dress, Western clothes, trousers and bush-shirts or anything similar, preferably Kurta and Shalwar.

A circular issued yesterday in Quetta by Mr. G.R. Poonagar, Provincial Secretary, Services and General Administration Department, said that dress to be used by officials would include national official dress, once a week, and Pakistani dress with "as much formality as individual wishes to create" during remaining three days. Definition of national official dress, it may be pointed out, has already been amended to include waist-coat in addition to Sher-

wani.

Senior officials and officers, the circular said, were expected to encourage their staff by personal example, persuasion and inducement to patronise Pakistani dress. On all official functions everyone was expected to wear national or Pakistani dress after the first of next month, it added.

The circular has further stated that it should be ensured that Government officials and officers at the time of their induction were advised about the matter and were made to wear national and Pakistani dress during the time of their training and early period of their service.

President General Mohammad Zia-ul-Haq, it may be recalled, had directed that the use of Pakistani dress should be encouraged as dress played an important part in cultivating national spirit.

CSO: 4220/112

KEROSENE TO BE IMPORTED FOR REFUGEES

Islamabad THE MUSLIM in English 19 Nov 81 p 1

[Article by Sikander Hayat]

[Text]

ISLAMABAD, Nov. 18: Efforts are afoot to procure 60 million litres of kerosene costing Rs. 180 million from abroad for the Afghan refugees, it was learnt here yesterday.

The kerosene, to be used for cooking and heating purposes, is expected to ease refugee pressure on the forests which have been reportedly seriously damaged.

The appeal for the fuel donation has gone to primarily Muslim oil-producing countries, one of which, last year donated half a million litres.

The official concern on the destruction of forests has been considerably grown and in the recent meetings of the local refugee handling authorities, UNHCR and the World Food Programme the need to wean away the refugees from the use of forest wood fuel was emphatically underscored.

The other issues that came up at these periodical meetings held at Peshawar on Oct. 26 and Quetta on Nov. 9 included better health, education, water supply and income-generating schemes.

Meanwhile, enumeration of refugees in Baluchistan has almost been completed, and results are expected to be not very different from the registration figure. Enumeration will be launched in the NWFP soon after the refugees have come down from the mountains where they shift during the hot summer months.

Mardan tented village has

emerged as the biggest concentration where more than 260,000 people have been housed. Most of them have been shifted from Peshawar where more than half a million had come to live.

About 2.5 million Afghan refugees have been housed in a large number of camps straddling along 1,500 miles Pak-Afghan border. A little over 1,000 Kirghiz from Wakhan are settled in Gilgit and Hunza. Since supplies are difficult to be reached in the Northern Areas the Kirghiz refugees get their entire allowance in cash at the rate of Rs. 120 per head per month. For the rest of refugees the allowance is Rs. 50 per head per month, besides food and some other items.

Pakistan is spending about Rs. 2,000 million on the upkeep and welfare of the Afghan refugees. It is almost equal to the international aid which comes in cash and kind.

Japan is sending 50 trucks soon to facilitate the logistics of the refugee welfare agencies.

A highly-placed official told this correspondent that it is not true that refugees would tend to settle down in Pakistan if they were given generous facilities. He said all of them want to return to their homes in Afghanistan. The mud houses which some of them have built are only to provide extra protection against extreme weather conditions, he added.

He said the law and order situation in the camps is by and large quite satisfactory and no major incident involving the locals has taken place.

GREATER PRIVATE INVESTMENTS IN ECONOMIC SECTOR URGED

Karachi BUSINESS RECORDER in English 26 Nov 81 p 2

[Editorial: "Let Us Take Pride in Our Own People"]

[Text]

The statements of President General Mohammad Zia-ul-Haq and Finance Minister Ghulam Ishaq Khan stand out in sharp contradistinction from the speech of the Production Minister, Lt-Gen. Saeed Qadir in the Islamabad Symposium. While the latter has maintained his stance of never missing an opportunity to reprimand and warn the private sector, his two seniors have held out assurances to the private sector in the country. Obviously, President Zia and his Finance Minister are intelligently conscious of the thinking, expectations and fears attending risk investment by private citizens.

Business Recorder today wishes to draw the attention of President General Mohammad Zia-ul-Haq in particular and the people of Pakistan in every walk of life, bureaucracy included, to the very important fact that we seem to have lost the capacity to take pride in our countrymen, in their performance, in their patriotism and, to a very large

extent, in our country itself. Those who pioneered the creation of a Pakistan economic base, established industrial and commercial establishments where none existed, were labelled cheats, thugs, blood suckers, profiteers and capitalists, and the term '22 families' became a label of contempt and disgust. It is also a fact of life that none of these epithets against Pakistani entrepreneurs was coined and used by the public or even the leftist politicians, to begin with, who eagerly caught on it, but by those jealous individuals who framed policies in the secretariats and their representatives in various parts of the country.

Where would our economy be today if we did not have people like Saigols, Sheikh, Amin Bashira, Latifa, Habiba, Adainjees, Ispahania, Bawanya, Valikas, Dawoods, Araga, Fancy's, Gokals or such enterprising people as Agha Hasan Abbidi, Abdul Jalil, Shakir Durrani, to name only a few? Have not Pakistanis like Mo-

hammad Shoaib, Anwar Ali, Dr. I. H. Usmani, Prof. Salam, Abdul Qadir, M. A. Rangoonwala and Dr. Minai made their mark inside and outside this country, once having got rid of controls and regulations that inhibited their capabilities and capacities? Who does not know that quite a few scions of Pakistan are engaged in reputable and sizeable businesses and industrial enterprises in several countries abroad, employing thousands of Pakistanis? They have gone there not because of any loss of attachment to and love for Pakistan but because to be an industrialist or a businessman or a capitalist is not considered something criminal or derogatory there. They are there because they can work there more freely. But there is none among them who has cut his roots in Pakistan. Some of them have come back here opening the branch offices of their foreign establishments and are doing a lot of philanthropic work, besides. They are here unsung but still despised in some circles. We do not take pride in their perfor-

mance abroad. We do not recognise the charitable foundations that they have established or scholarships they give or the welfare projects they are running in Pakistan. To name only one such institution, which was news even to this newspaper, there is a bank with three branches in the country sponsored abroad by a Pakistani, which has established a charitable foundation that would receive all the profits earned by the bank in Pakistan to use for the welfare of people in Pakistan. This institution has established another foundation based in Lahore, which has received a large chunk of its foreign profits. Then again, this institution is running a welfare and self-help project in Orangi Township. We should be proud as Pakistanis of these institutions and its sponsor, BOCI. This is just one example which has come to light. We are confident that there must be others who have as quietly established institutions like those mentioned above. However, neither they nor the authorities that be publicise their good deeds.

Another instance where lack

of pride in our own people is brought into sharp focus is the fact that the opportunities in the economic field that we are prepared to allow a foreign investor we deny to our own people. If the news is correct, we are even prepared to amend the law and allow foreigners to undertake life insurance business in Pakistan, but perhaps, not to allow Pakistanis. This seems quite likely as do we not allow private sector banks of foreign nationality to establish their businesses in Pakistan with full guarantee for the remittance of their profits and capital?

Why do we have such a discriminatory attitude towards our own people, or shall we say, contempt for our own people? No nation can attain any position in the world community if it displays lack of respect for its own people or loses what Iqbal called its *Khudi*. It is a truism that no nation's flag can fly higher abroad than in its own country. Unless we take pride in our own people, in our nationhood and in our country, we shall command no respect abroad.

EFFORT TO LOWER PULSES PRICE REPORTED

Karachi MORNING NEWS in English 30 Nov 81 p 1

[Text] Islamabad, Nov 29--A high-level meeting under the chairmanship of Federal Minister for Food, Agriculture and Cooperatives Vice-Admiral Mohammad Fazil Janjua was held here today to review pulses situation in the country.

Addressing the meeting, the Minister said that the Government was taking all possible measures to bring down the prices of pulses in the country and that no one could be allowed to make fortune out of this situation. The Government, he said, was determined to overcome the shortage by increasing indigenous production and through imports so that pulses are available to the common man.

Satisfaction was expressed over the prospects of autumn crop this year. Target area under the crop for the year 1981-82 is 2.376 m. acre of which 96 percent has already been sown as against 2.082 m. acre last year. The production is expected to be 524,000 metric tonnes for the year 1981-82 as against 337 000 metric tonnes last year.

Quality and quantity of pulses, particularly mash moong and masoor to be imported and supply position with regards to local production was also considered and stocks of all pulses were found satisfactory. Sufficient quantity of imported pulses has already reached Karachi.

It was further decided that only comparable quality of what is being indigenously produced would be imported to help the market to reduce the prices of pulses in the country.

Among others, meeting was attended by Chairman PASSCO Utility Stores Corporation and Trading Corporation of Pakistan, representatives of all the concerned ministries and Pakistan Agricultural Research Council.--PPI

CSO: 4220/115

BETTER FOOD STORAGE FACILITIES URGED

Karachi DAWN in English 21 Nov 81 p 7

[Editorial: "Food Storage Facilities"]

[Text] **THE** announcement by the Federal Minister for Food and Agriculture that the country has now a national food security reserve of 1.5 million tons, including 0.8 million tons of operational reserves, is very heartening news indeed. After facing a long period of food deficit, the attainment of self-sufficiency leading to the building up of food reserves signifies a real breakthrough on the food front. There has been a run of very good harvests over the last three years mainly owing to progress in the reorganisation of agriculture on modern, scientific lines and favourable weather conditions. Today, we are self-sufficient in wheat, our staple food in which shortages have long existed, and surplus in rice—and cotton—to a degree that they have become our top commodities for exports. Moreover, there are indications that we may produce a marginal surplus in wheat as well next season or so. If the necessary improvement in funds, infrastructure and inputs is achieved by indigenous efforts and international help, Pakistan is in a position to further raise agricultural production.

It is, therefore, time that due attention was paid to building up storage capacity for foodgrains commensurate with the prospective increase in the output of wheat and other crops. At present we suffer enormous losses between two stages—the gathering in of crops and marketing. It is reassuring that some capacity has been added for storage of foodgrains recently while more is going to be built. In Punjab, foodgrain godowns will be built in seven 'mandi' towns having capacities of from 1,000 to 3,000 tons each at a cost of Rs 1.6 crore within the next couple of years. Sind has a storage capacity of 4.75 lakh metric tonnes at present. This year more godowns having a capacity of 8,000 tonnes are to be completed. Besides, the National Logistic Cell is also constructing foodgrain godowns on behalf of the Federal Government. The PASCO is also actively engaged in building godowns as part of a phased programme. These godowns, being built by the Provincial Governments and other agencies, will come as a boon to agriculture. The World Bank and the Swiss Government have committed a loan of 30 million dollars and a grant of 7.5 mil-

lion dollars respectively for building these godowns. The private sector has also been invited to build foodgrain godowns which will be hired by the government if built according to given specifications. The Government should encourage small farmers to construct small godowns so that their produce also gets due protection. Interest-free loans to farmers will facilitate such a programme.

Along with wheat, rice, cotton and sugarcane, production of fresh fruit and vegetables is likely to go up for which more cold storage facilities than exist will be required in the near future. The Federal Government has set up a marketing company, the Agriculture Marketing and Storage Ltd. with funds provided by the Federal Bank of Cooperatives, for developing and maintaining a chain of cold storages throughout the country and for marketing of fruit, vegetables and milk. If the planned facilities can be operated efficiently, they will not only protect the growers' interests but also ensure regular supplies of fresh fruit, vegetables and milk at reasonable and stable prices to consumers.

NEED TO PLAN FOR LENTIL PRODUCTION DISCUSSED

Karachi BUSINESS RECORDER in English 21 Nov 81 p 21

[Editorial: "Planning Production of Pulses"]

[Text]

But for the prompt and decisive action taken by the Government such as the withdrawal of entire sales tax of 10 per cent, a 10 per cent reduction in the margin for establishing letters of credit and liberalisation of import of pulses, the situation should have become quite clumsy. With the replenishment of the depleted stocks the upward trend in the prices of this commodity has been arrested although they have not yet come down to the pre-crisis level. It is expected that with the arrival of new crops of Moong and Mash in the market there will be further easing of the situation.

The pulses crisis serves as a reminder that our agricultural planning and policy making suffers from inherent weaknesses and defects and calls for their removal. It is to be realised that the strategy of going for imports of primary commodities in case of their shortage may provide temporary relief but is not a permanent solution. It may help to meet the emergency

but at what cost? A country which is faced with chronic adverse balance of payments and is forced to incur back breaking debt burden cannot afford to squander its scarce foreign exchange resources on importing a commodity like pulses.

The nation has paid through its nose to reach near self-sufficiency in wheat. But we cannot say that a real breakthrough has been achieved in agricultural production. The indigenous production of oil-bearing seeds is still far and we spend huge sums of money every year on the import of edible oils from abroad. If pulses are also added to our import list our efforts to narrow the import-export gap will be frustrated.

The pulses are rightly called the poor man's meat in view of their comparative cheap availability and for possessing high contents of protein, minerals and vitamins. The continuous supply of pulses at reasonable prices is therefore necessary for main-

to tell other Americans that the new scheme of things was not going to affect the interest of the private investors within or without. It is, indeed, surprising, as they alleged, that they themselves did not know much about Pakistan and its economy.

No doubt that we are in need of foreign private investment. This is evident from all the incentives which we are offering to the investors abroad. We are setting up an Export Processing Zone in Karachi which has already started attracting foreign investors. Even in the tariff zone, the incentives are quite generous. The foreign investors should, therefore, decide on merits whether it is profitable for them to come here or go somewhere else. We do not want to invite them at the cost of our national pride. It is not only true of the economic field but of every other sphere — cultural, political and even defence. We are not getting anything from the U.S. as charity. Even the 3.2 billion dollar economic and military package deal is essentially a commer-

cial deal in which the loan which we are to take will not be concessional but on market rates of interest. We are to make purchases of defence equipment and will not be getting anything as gift or grant. The nation has endorsed the deal only because of the fact that it has not been made at the cost of its own pride. We will not do any such bargaining wherein our status as a sovereign state is compromised. If the American entrepreneurs are reluctant to come to this country and consider the existing incentives insufficient, they are entitled to their views. There are others who would come.

To our own authorities we would suggest that whatever foreign investment is coming to this country, should be carefully watched. The progress in the projects to be set up with the assistance of foreign capital should be reviewed from time to time and the people should be kept informed of the progress. This we have not done in the past nor have we, as far as we

know, yet started monitoring the development of such projects. A large number of projects set up in the past with the specific understanding that they would gradually reduce their imports and increase the local capability, are still getting import licences worth as much their imports ten to fifteen years back. It is time that we took stock of the situation and made amends for the mistakes made in the past. Our magnanimity, perhaps, is being interpreted by some of the foreign investors as our weakness. Such an impression has got to be erased.

Before concluding, we would like to emphasise in relation to America and for that matter any other friendly country, that the portrayal of the goodwill and friendliness of that country's people and authorities, should be based on realism and should not be so overblown as to give a totally wrong impression about their attitude in times of our need. We should never allow the repetition of the mistakes we made in the fifties.

BRIEFS

'AL-SULFIKAR' MEMBER ARRESTED--Robina, the 21-year-old former nurse of a local hospital, who had disappeared from a Federal Capital Area flat on Oct 20 last after a shoot-out in which Lala Asad and a police officer were killed was caught in Sukkur yesterday. According to informed sources, Robina had gone to Khairpur to offer her condolences to the family of Asadullah, alias Lala Asad, stated to be the local commander of 'Al-Zulfikar.' She was picked up by the police when she tried to slip away from there. Earlier, she had escaped with her friend Rukhsar Qureshi, an employee of Pakistan Steel. Both of them were wanted by the police for interrogation and their alleged involvement in subversive activities. Robina worked as a Staff Nurse for more than two years. After that, according to sources, she joined the "terrorists" and reportedly played the role of a courier. Right from the beginning, police sources believed that she was an "important link" between persons hiding at different places. [Text] [Karachi DAWN in English 28 Nov 81 p 10]

PLAN TO INTENSIFY OIL EXPLORATION--Islamabad, Nov 27--The Government has chalked out plans for intensifying oil exploration in the country, and in this regard Pakistan will seek collaboration with Kuwait and Abu Dhabi. The Federal Minister for Petroleum and Natural Resources, Maj-Gen (Retd) Fao Farman Ali Khan, leading a three-member delegation, left here today on a 10-day visit to Kuwait, Abu Dhabi, London and Italy. In an interview before leaving, the Minister told PPI that he will hold talks with his counterpart in Kuwait and high officials in Abu Dhabi National Oil Company on matters relating to the collaboration. The level of present collaboration with these countries will also be discussed during the talks. Referring to his visit to London, the Minister said that he will hold talks with the drilling contractor of Toot oil field for intensifying drilling operation at the Toot oil field. He will visit Italy in the capacity of Managing Director of Fauji Foundation and discuss matters relating to Fauji fertilizer plant. The plant, located at Goth Makhri, is expected to go into production in March next.--PPI [Text] [Karachi DAWN in English 28 Nov 81 p 3]

COUNCILLORS ARRESTED ON SUSPICION--The Faisalabad police have held six persons including one local Municipal Councillor, Mr Yousof Minnas, on suspicion of having links with the terrorist Al-Zulfikar Tanzeem, and started interrogation. The officer held persons include Shafique Ahmad and Mohammad Iqbal. The police have already arrested Mrs Zuaidia Malik, another Municipal Councillor on the same charge. She was to be sent to Lahore Fort for interrogation under orders of the District Magistrate, Faisalabad, but on recommendations of local doctors she has not yet been transferred to Lahore due to serious illness. The local Assistant Commissioner has directed the police to arrange proper medical treatment for Mrs Zuaidia Malik before shifting her to Lahore. [Text] [Karachi DAWN in English 26 Nov 81 p 3]

MEHRAN STUDENTS EXPELLED--Hyderabad, Nov 29--The Vice-Chancellor, Mehran University of Engineering and Technology, Jamshore, has expelled seven students on account of their activities prejudicial to the maintenance of discipline and academic peace in the University, according to a circular issued here by the Registrar, Mehran University. Those expelled are: (1) Hafeezullah s/o Abdul Karim Solandi, (2) Abdul Aziz s/o Ghulam Mohammad Soomro, (3) Mukhtar Ali s/o Maui Ali Shah, (4) Nooruddin s/o Mohammad Azam Abbasi, (5) Pir Bux s/o Saeed Khan Babar, (6) Mohammad Zakaria s/o Ghulam Mustafa Memon and (7) Abdul Subhan s/o Ghulam Mohammad Memon. The four students who have been rusticated for a period of three years each are (1) Abdul Qadir s/o Abdul Jabbar Jarwar, (2) Mohammad Jobal s/o Mohammad Ismail Memon, (3) Mohammad Sulleman s/o Kasaro Khan Jatoi and (4) Mumtazali s/o Chandio Khan. These eleven students are required to immediately leave hostels and are restrained from entering the university campuses. [Text] [Karachi DAWN in English 30 Nov 81 p 6]

AUSTRALIAN IRON ORE--The Mount Newman iron-ore project in Western Australia has clinched a five-year contract to sell 300,000 tonnes of ore a year to the Pakistan Steel Mills Corporation. Worth \$A30 millions (Rs 27 crores) at current prices, the iron-ore contract is the first awarded by Pakistan to an Australian corporation. The sale represents 18.5 per cent of Pakistan's total iron-ore requirements. While the new contract has only just been announced, Mount Newman began shipping small quantities of ore on a trial basis early this year and by March 1982, expects to have sent 100,000 tonnes. At this point the five-year contract will take effect. There is provision for an extension subject to agreement by both parties, as well as an annual price review in line with the current yearly price negotiations with Japanese Steel Mills-AUSTRALIAN INFORMATION SERVICE. [Text] [Madras THE HINDU in English 11 Nov 81 p 26]

PAKISTAN VS USSR, INDIA ATTACKS--Lahore, Nov 19--The British Ambassador to Pakistan, Mr Oliver Forster, has said the United Kingdom will support Pakistan to best of her ability in case of "unprovoked aggression against it by the Soviet Union or India." In an interview with PPI here today, he said: "No country of the free world will like to stand calm and see Pakistan being run over by the Soviet Union." Answering a question about the nature and magnitude of the support, he said: "It will depend upon the circumstances." Asked as to how UK takes the persistent violation of Pakistan territory by the Afghan planes, Mr Forster said: "It was unfortunate." No country should violate the territories of the other country. They are unacceptable internationally, we deplore these violations." Replying to a query, the British Ambassador said "It's not really for us to protest against these incidents, but we support Pakistan." Questioned if the United Kingdom will put forth an amended formula to settle the Afghanistan issue since its previous one, also backed by the European Economic Community, was rejected by the Soviet Union, the British Ambassador said: "We have no new formula at present but we shall prepare one if the circumstances necessitated it." "We also hope that the Soviet Union will change their mind but, at present, there are apparent signs that USSR will be prepared to get into negotiations to solve this problem," he added.--PPI [Text] [Karachi MORNING NEWS in English 20 Nov 81 p 12]

URDU POSTER FORFEITED--Peshawar, Nov 20--The NWFP Government has forfeited all copies of Urdu poster captioned "Akhaive Kun" ["Why All This?"] with immediate effect. The poster contains objectionable material. The action has been taken under Section 39 of West Pakistan Press and Publication Ordinance 1963.--APP [Text] [Karachi DAWN in English 21 Nov 81 p 4]

U.S., JAPAN GET LARGEST SLICES OF TRADE

BK031449 Hong Kong AFP in English 1230 GMT 3 Dec 81

[Text] Manila, 3 Dec (AFP)--The United States and Japan obtained the largest slices of the Philippines' external trade during the first 6 months this year taking up 60 percent of the U.S.\$4,312 million generated by the country from its 10 biggest trading partners.

Latest statistics released by the Ministry of Trade and Industry showed the United States leading Japan by \$405.5 million with its \$1,499 million trade during the period, an amount which constituted about 34.78 percent of the 10-nation trade during the period.

Japan's total trade with the Philippines amounted to \$1,094 million or 25.38 percent of the total.

Coming a far third was Saudi Arabia with \$425.29 million or 9.86 percent, West Germany with \$249.63 million or 5.79 percent, the Netherlands with \$229.32 million or 5.32 percent and Indonesia with \$200.79 million or 4.66 percent.

The country's seventh biggest trading partner was Hong Kong with \$178.93 million or 4.15 percent followed by China with \$145.64 million or 3.38 percent, Australia with \$144.24 million or 3.34 percent and Republic of Korea with \$144.14 million or 3.34 percent.

The Philippines posted a favorable balance of trade with seven countries except for Saudi Arabia, China and Australia. Its overall trade surplus during the period reached \$302.17 million, up by 8.38 percent from the \$278.8 million posted during the same period last year.

Posting the biggest increase in the bilateral trade with the Philippines was Indonesia whose aggregate trade of \$200.79 million rose from \$90.91 million by 120.87 percent.

The country's total trade with the 10 countries rose by 16.22 percent over the \$3,710 million registered in the first half of 1980.

Factors cited for the favorable trade balance of the country during the period included the government's intensified export drive and the growth of earnings of electronics components, coconut oil, centrifugal sugar and garments exports.

MNLF MEN DOWN TO HALF OF '72

Manila PHILIPPINES DAILY EXPRESS 3 Nov 81 p 2

[Text] The regular strength of the Moro National Liberation Front has gone down to an estimated 9,000 men armed and unarmed, about half the peak strength in 1972. Maj. Gen. Josephus Q. Ramas, Philippine Army chief, said recently in an interview.

(The regular strength is derived from a headcount of the enemy combatants by field intelligence of the armed forces. The 9,000 regular strength, however, does not include the service or combat support elements and the mass base sympathizers of the MNLF whose number is always presumed much bigger by the military.)

Assessing the MNLF figures and the trend of its armed operations in the past months, Ramas said that the MNLF is no longer a big threat to the country's internal security.

He said that the MNLF ranks will continue to be decimated with the increasing number of MNLF hardcores in the South who are now giving up to seek accommodation under the government's policy of attraction and reconciliation.

Ramas said the armed forces need not deploy more troops to the South because of the waning MNLF strength.

He added that the combat capability of the Filipino soldier, particularly in guerilla warfare, has been proven "high" compared to his counterpart in other countries where insurgency thrives.

Because of this, he said, the armed forces does not have to adhere to the US-applied deployment ratio of 10 soldiers to one insurgent or the bigger 100 to 1 ratio in some South American countries.

Ramas, who has adopted the "economy in force" doctrine in Army operations since becoming Army chief a few months ago, said that the Army has embarked on a program to retrain soldiers in guerilla warfare.

Squad-size scout operations remain and will so continue in the rest of the 80's as the most effective mode of army operations in the areas affected either by the MNLF or the New People's Army, Ramas said.

Combat strategies, he said, will have to be modified and men retrained along this small-unit concept.

VIRATA SEES CUT IN BORROWINGS

Manila PHILIPPINES DAILY EXPRESS in English 20 Nov 81 p 116

[Text]

FOREIGN borrowings will have to be cut next year because of the drop in the country's export earnings this year, and to keep the repayment burden within manageable levels.

Prime Minister Cesar E.A. Virata yesterday told financial executives that under the law the debt service or repayment burden has to be maintained at 20 percent of the export earnings in the preceding year.

Latest available data from the Central Bank show that the country's outstanding foreign debt amounted to \$15.37 billion as of Sept. 30, 1981, an increase of \$2.67 billion or 21 percent from the end-1980 level of \$12.7 billion.

The CB data also showed that from January to September this year interest payments on foreign debts amounted to \$967 million, a sharp increase of \$638 million in the same period last year.

...
THERE HAS been a slight drop in export earnings this year, which means foreign borrowings will be cut in 1982 to maintain the 20-percent debt service ratio, the Prime Minister said in a speech before the Financial Executives Institute (FINEX).

As of Sept. 30, 1981, earnings from exports had amounted to \$3.4 billion compared to \$3.5 billion in January to September 1980, CB data showed.

Virata also said that in the coming years, the country's concern will be focused on servicing foreign debts that were incurred to pay for the soaring oil import bill.

He added that there will be a need for a moratorium or grace period on future borrowings so that the repayment burden will be manageable and within the country's self-imposed ceiling.

THE PRIME Minister also said that a budget deficit of P10 million is expected to be incurred this year.

He appealed to businessmen and financial leaders to reconsider their operations and lending activities so that more financing will actually go to the rural areas for agricultural and food production projects.

He chided bankers in the urban areas for not being keen in financing agricultural projects, and who would rather invest only in government securities to satisfy CB regulations.

Virata also appealed to businessmen to review their lending activities so that only the viable and feasible projects are given financial assistance.

RP WON'S SEEK MORATORIUM ON LOAN REPAYMENTS

Manila PHILIPPINES DAILY EXPRESS 22 Nov 81 p 10

[Text]

THE country will not seek a moratorium on interest and principal repayments on over \$15 billion worth of foreign debts, but instead seek softer terms on new loans to ease the growing surben of servicing the borrowings, Prime Minister Cesar E.A. Virata said the other night.

In a press briefing, the Prime Minister also said that:

- The government expects to incur an P11 billion budget deficit in 1982, compared to P10 billion projected this year.

- The RP-United States tax treaty may take effect in 1982 pending to the resolution of additional provisions pertaining to the taxation of the income derived by American airlines operating in the country.

- The Cabinet is reviewing the service contract for geothermal exploration, particularly those proposed by Caltex and Total Oil.

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THE Prime Minister said, the government will require the private sector to ask for softer terms, particularly the extension of grace periods, on new foreign loans.

Virata, concurrently the finance minister, said that another alternative being considered by the government is to capitalize the interest to make room for additional borrowings.

The move, he pointed out, is intended to make sure that the country does not go beyond its self-imposed limit of a 20 percent debt service ratio. Under the law foreign loans during the year is limited to 20 percent of the export earnings in the preceeding year.

The Prime Minister also said that in the case of export credits, borrowers will be asked to seek a grace period of three years after actual construction of the project which shall be financed by the loan.

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VIRATA cited the need for softer terms on new loans because of the slight drop in export earnings this

year. The drop in dollar revenues will result in the reduction of new loans in 1982 to conform with the 20 percent debt service limit.

As of September 1981, export earnings had amounted to only \$3.414 billion which was \$90 million less than the January-September 1980 figures of \$3.504 billion.

The Prime Minister said that the P11 billion cash deficit is projected in 1982 because government spending will have to be stepped up next year to stimulate economic and production activities in the economy.

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IN the case of the tax treaty, Virata said that the national laws of either country Philippines is agreeable to the US position that the income from the sale of airline tickets will be subject to the respective national laws where the transaction is made or where the ticket is sold.

This position had been offered by the Philippines in the past but it was not acceptable to the U.S.

BRIEFS

FREE ENTERPRISE--President Marcos has reaffirmed his belief in the free enterprise system. He also restated the government's policy that private enterprise should be left alone. President Marcos declared this during the opening of the 27th congress of the International Chamber of Commerce. The president said his leadership was retained because he has maintained and insisted that free enterprise be the agent of change. Several times during the president's speech he was interrupted by applause by well-known businessmen from all over the world who gathered for the congress. Mr Marcos stressed that the government neither intends to take over nor nationalize any existing organizations. He declared, "We don't intend to take over or confiscate private property. We don't believe in that. We don't intend to nationalize any existing organization, unless there is a war, where we need public utilities and the like. We don't believe in state capitalism," the president emphasized. [Text] [HK240053 Manila Far East Broadcasting Company in English 2330 GMT 24 Nov 81]

INDONESIAN, KOREAN ENVOYS--President Marcos has expressed optimism about the continuing growth of relations with Indonesia and South Korea. The chief executive made the statement as he received the letters of credence of Indonesian ambassador Leo Lopulisa, President Marcos cited the similarity of experiences of the Filipinos and Indonesians. He said the two peoples both emerged victorious from disastrous wars, and both peoples have also learned the true value of friendship. The president also received the new South Korean Yi Nam-ki. He said the recent visit of South Korean President Chun Tu-hwan helped to strengthen the already close relations between the Philippines and South Korea. [Text] [HK260501 Baguio Mountain Province Broadcasting Corporation in English 0400 GMT 26 Nov 81]

ARAB-FUNDED DEVELOPMENT BANK--An Arab-funded Developed Bank will soon be established in the Philippines. President Marcos approved last night the request by Philippine Muslim leaders for the establishment of the bank. The Muslim leaders, belonging to the ulamas, or scholars', council of the Philippines, told President Marcos that Kuwait, Saudi Arabia and other Arab states have offered to put up the bank in the country. During the meeting with the Muslim leaders, President Marcos also called for Filipino unity against the communist threat. [Text] [HK050202 Manila Far East Broadcasting Company in English 0130 GMT 5 Dec 81]

MINING INDUSTRY FUND--President Marcos has ordered the establishment of a special stabilization fund to assist mining companies during periods of depressed metal prices in the international market. The president's move was prompted by declining copper prices in the world market, which had adversely affected major Philippine mining companies. His order reflected the Philippine Government's continuing concern over the stability of the country's industries, especially those providing intensive employment. [Text] [HXD60250 Manila Far East Broadcasting Company in English 0230 GMT 6 Dec 81]

SAUDI MARKETS--The Philippines has begun an intensified campaign to get a bigger share of the Saudi consumer goods and construction markets, with the opening of the Philippine trade and industrial exhibition in Jeddah, Saudi Arabia. Prince Majid Bin Abdul Aziz al-Saud, governor of Makkah Province, cut the ceremonial ribbon to formally open the trade fair. He was welcomed and taken around the exhibit area by charge d'affaires Emilio D. Biosa, and commercial counsellor Antonio Basilio of the Philippine Embassy. Close to 500 diplomats, Saudi and other foreign businessmen and industrialists, Saudi Government officials, Filipino businessmen and contractors and their wives attended the inauguration. [Text] [HK070233 Manila Far East Broadcasting Company in English 0130 GMT 7 Dec 81]

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